



Daily Report

China

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Daily Report

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18 June 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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General

Reportage on Vienna Human Rights Conference

Further on Envoy's Remarks

OW1806021993 Beijing XINHUA Domestic Service in Chinese 1525 GMT 17 Jun 93

[By reporter Yang Huanqin (2799 3562 0530)]

[Text] Vienna, 17 Jun (XINHUA)—Speaking at the main committee of the UN World Conference on Human Rights here today, Vice Chairman of the Chinese delegation Jin Yongjian expounded the Chinese Government's basic position on the relationship between development, democracy, and the universal enjoyment of all human rights.

He pointed out: Development constitutes one of the basic conditions for the universal enjoyment of various human rights. The governments of various countries have a responsibility to formulate appropriate strategies for development in accordance with the concrete situations of their respective countries and to promote the economic and social development of their countries so that conditions can be created for the full enjoyment of human rights by the people of all countries.

He said: The enjoyment of human rights by the people of many developing countries has been greatly limited by such unfavorable conditions as starvation, poverty, disease, and illiteracy. The "Tehran Declaration" also points out: The widening gap between economically developed countries and developing countries has hampered the realization of human rights in the world community. Therefore, "to achieve positive and sustained progress in realizing the right to development, it is necessary to establish a fair international economic relationship and economic order in order to eliminate the major obstacle to realizing the right to development."

Jin Yongjian said: The human rights conference should appeal to and stimulate the international community, particularly developed countries, to take active and effective measures to reduce the debt burden of developing countries, to overcome trade protectionism, to increase official aid for development, to abolish conditions attached to normal trading and economic aid, and to eliminate the unfavorable factors restricting the development of the developing countries, so as to make contributions to promoting the economic and social development of these countries and to promote the enjoyment of all human rights by the people of all countries on the basis of a sound economic development.

Jin Yongjian said: The Chinese Government holds that the world human rights conference should further promote the attachment of equal importance to civil, political, economic, social, and cultural rights as well as the right to development, and that the conference should reaffirm the indivisibility and inter-dependence of

human rights in all countries, avert the current trend of emphasizing only civil and political rights, and promote the full realization of economic, social, and cultural rights on the basis existing human rights mechanisms. The world human rights conference should attach greater importance to development as a foundation while defining the complementary relationship between development and democracy on the one hand and human rights on the other.

Speaking on the concept of democracy, Jin Yongjian said: "The basic meaning of the term 'democracy' implies that the people, being the masters of the country, freely participate in administering it and fully participate in all fields of social activities." To realize these rights for the people from all countries, it is necessary, first of all, to ensure that they are free from the rule of colonialists and foreign intervention, that they can fully exercise the right to self-determination, and that they have the right to freely determine their political, economic, and social systems, so as to create the most basic conditions for becoming the masters of their own country. As to what form of democracy a country adopts—this should be the choice of the people of that country.

Jin Yongjian said in conclusion: In discussing the relationship between democracy and human rights, the world human rights conference should encourage all countries to develop and improve a democratic system and a form of democracy suitable to their national conditions, and should avoid one-sided emphasis [pian mian qiang diao 3651 7240 1730 6148] on a certain form of democracy. Internationally, the democratization of international relations should be promoted; it is necessary to uphold the principle that all countries, big or small, rich or poor, weak or strong, are equal, in order to prevent one country or a group of countries from imposing their will on other people [jiang zi ji di yi zhi qiang jia yu ren 1412 5261 1569 4104 1942 1807 1730 0502 0060 0086]. Only this can be called true concern for protecting human rights.

Various Countries' Views Presented

OW1806031493 Beijing XINHUA in English 0254 GMT 18 Jun 93

[By Chen Hegao]

[Text] Vienna, June 17 (XINHUA)—Delegates of developing countries to the U.N. World Conference on Human Rights conference demanded non-interference in their internal affairs today.

This is the fourth day of a general debate on the relationship between human rights and internal affairs of states, and representatives from developing countries and western countries have offered differed views on the relationship of human rights and internal affairs.

Representatives of the Western countries are claiming that the question of human rights goes beyond boundaries, and that the principle of non-interference in the internal affairs of other nations is not applicable to it.

Representatives of developing countries have responded by saying that state sovereignty is the basis for the realization of citizens' human rights, and that if a state is not safeguarded, the human rights of its citizens are out of the question.

Indonesian Foreign Minister Ali Alatas said that a basic condition for international cooperation is respect for the sovereign equality of states and the national identity of peoples.

"In this spirit of cooperation and mutual respect, there should be no place for the practice of exchanging unfounded accusations or preaching self-righteous sermons to one another," he said.

"No country or group of countries should arrogate unto itself the role of judge, jury and executioner over other countries on this critical and sensitive issue of common concern to the entire international community," he said.

Singapore Foreign Minister Wong Kan Seng said that a pragmatic approach to human rights is one that tries to consolidate "what common ground we can agree on, while agreeing to disagree if we must."

He said that differences of opinion over human rights are inevitable in the world.

"Our aim should be to promote humane standards of behavior without at the same time claiming special truths or seeking to impose any particular political pattern or societal arrangement," he said.

U.S. Secretary of State Warren Christopher claimed that "the promotion of democracy is the first line of global security."

He said that U.S. diplomats will continue to report "human rights conditions around the world" and that the U.S. will continue to attach human rights conditions to foreign assistance.

German Foreign Minister Klaus Kinkel offered the view that "protection of human rights is no longer a matter for individual states and governments alone."

Human rights apply "for all human beings, regardless of history, tradition, religious beliefs and stages of development," he said.

Ghazi Muhammad al-Gosaibi, head of the Bahrain delegation, said that the human rights situation is circumscribed by the historic, social, economic and cultural conditions of widely different nations, and involves a process of historic development.

Owing to their very great historic differences, many countries differ in their understanding and practice of human rights, he said.

"All countries, large or small, strong or weak, are entitled to freely choose their political system, economic structure suitable to their own national conditions," he said.

A.S.M. Mostafizur Rahman, foreign minister of Bangladesh, said that imposing interpretations and perception on others might defeat the objective of upholding universal principles.

Soubanh Srithirath, deputy foreign minister of Laos, said that the question of human rights had been used to achieve political gains and that "such practices should be abolished."

He said that the implementation of human rights standards must be based on principles of non-selectivity, objectivity and impartiality.

The deputy minister stressed that it was not acceptable for any country to impose its values and standards on another.

In addition to the question of the relationship of human rights issues to sovereignty, the participants also touched on the relationship between human rights and development, and other major human rights issues.

Daily Views Asian Human Rights Declaration

HK1806073893 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 18 Jun 93 p 3

[Article by Xin Chunying (0207 2504 7751): "The Strong Voice of the Times—Commenting on the Declaration of the Asian Regional Preparatory Meeting for the World Conference on Human Rights"]

[Text] The World Human Rights Conference is an important meeting in the international human rights field. The meeting will not only assess and sum up past activities in the human rights arena throughout the world, but it will also set forth proposals and establish guidelines for future international activities in this field. To express the Asian countries' viewpoints and opinions on the human rights issue, various Asian countries held an Asian regional preparatory meeting for the World Human Rights Conference in Bangkok between 29 March and 2 April 1993, and the meeting adopted the "Bangkok Declaration."

The Asian countries and peoples have always attached great importance to the issue of human rights and their protection. Being one of the birthplaces of civilization, the Asian countries and peoples have developed the tradition of respecting social and individual rights through the long course of historical development and have become a major force for developing and promoting the international human rights movement. In April 1955, the Asian-African Conference adopted the "Final Communique of the Asian-African Conference," solemnly declaring the Asian countries' position in support of the basic human rights principles contained in the UN Charter. In 1968, the first World Human Rights

Conference was held in Asia, and adopted the "Proclamation of Tehran," which played a positive role in promoting the international protection and development of human rights.

The "Bangkok Declaration" was the crystallization of the Asian countries' unity and cooperation on human rights in the new historical period. Under the guidance of the purposes and principles of the UN Charter and the World Human Rights Declaration, in an effort to improve the human rights and basic freedoms actually enjoyed by the Asian peoples and deal with the relevant issues through seeking common ground and reserving differences, the "Bangkok Declaration" presented to the World Human Rights Conference a number of issues of common interest to most Asian countries and peoples, some of which had major significance with regard to the human rights actually enjoyed by the Asian peoples.

First, the right of development is an important element of human rights as well as a universal and inalienable right. The term human rights has a broad meaning, and its various component parts are interdependent and mutually conditional. Civil and political rights are closely linked with social, economic, and cultural rights. The two sides all depend on a society's political and economic development. In 1986, the UN General Assembly adopted a declaration on the right of development, recognizing that development is a comprehensive economic, social, cultural, and political process which is aimed at continuously improving the well-being of the entire people and all individuals on the basis of the positive, free, and significant participation of the entire people and all individuals in the process of development and in the fair distribution of benefits. In reality, however, the unreasonable and unfair international economic order is still hindering the development of the Asian countries—especially developing countries in Asia—and is even threatening some peoples' survival. Therefore, for most developing countries in Asia, the right of development is undoubtedly the most important right. The reason for this is simple. When poverty deprives people of their basic human dignity, how can civil and political rights be guaranteed? Over 1 billion people still live in poverty, and 633 million of them are living in Asia. Meeting their subsistence needs is the most pressing human rights issue. As long as people are still living in hunger, illness, ignorance, and misery, all other rights will have no significance.

Respect for the right of development means that all countries have the duty to cooperate in ensuring development and removing obstacles to development. While realizing basic rights and performing basic duties, various countries should focus efforts on promoting equal sovereignty, mutual reliance, and mutually beneficial cooperation in building the new international economic order. These countries should encourage the observance and realization of human rights. Every country and its people have the right and freedom to decide their own social development objectives, decide the key points of their development, and decide the methods and means

of achieving these objectives. The declaration requires that an international supervisory mechanism be set up and that necessary international conditions be created for the realization of the right of development.

Second, when observing and assessing the human rights condition of a region or a country, consideration should be given to the historical background, cultural differences, and current conditions of that region or country. It is necessary to prevent selectivity and bias in criticizing and assessing human rights issues in other countries. We must fight against political and ideological bias in human rights issues. Because the Western countries have adopted double standards on human rights, similar events are judged differently: When they occur in this country, they are considered a human rights issue, but when they occur in another country, they are not. Human rights has thus become a pretext for interfering in some events and a tool of political struggle against alien forces. This situation has seriously affected the normal development of human rights activities. Over a long period of time, the Western countries, citing Western-style democracy and freedom, held a discriminatory and reprehensible attitude toward the Asian nations, who had a different viewpoint on the human rights issue, and this caused deep resentments among the Asian countries and peoples. Representatives from Asian countries pointed out: The Asian nations believe that democracy and freedom are important conditions for the development of human rights, but democracy does not follow only one single model. Various countries have the right to select their own democratic systems according to their actual conditions. In different societies and in different time periods, the means for achieving human rights may vary. The declaration points out that, in order to promote human rights, one should adopt the form of cooperation and coordination based on consultations. One should not adopt the form of confrontation and should not arbitrarily impose incompatible values on other people.

Third, stressing the principles of respect for state sovereignty and non-interference in other nations' internal affairs and opposing the use of human rights as a means of political pressure and the use of human rights as a condition for providing assistance for economic development. The Asian countries maintain that the upcoming World Human Rights Conference should reiterate the principle of respecting state sovereignty specified by the UN Charter and international law. State sovereignty is the foundation for achieving human rights. Only when state sovereignty is fully respected can human rights be effectively guaranteed. When a nest falls, how can eggs be kept from breaking? When a nation suffers from foreign aggression and it is deprived of its sovereignty, how can the people there enjoy any human rights? This is a very simple point.

Using human rights as a means of exerting political pressure and linking assistance for development with human rights go against the noble objectives of international human rights activities. Human rights represent the common ideal of the human race. The observance of

human rights and basic freedoms will promote social progress and the improvement of living standards. Giving aid to nations that need it is a means of improving human rights conditions and should not be used as a means of political pressure. As everybody knows, social development and prosperity will lead to the expansion of individual freedom, increasing opportunities, and greater respect for individuals. Economic and social progress will advance the trend toward democracy and will be conducive to the promotion and protection of human rights. Any action of retarding development and hindering prosperity will inevitably affect the realization of human rights.

Fourth, all countries, big or small, have the right to determine their own political systems and to freely use their resources and seek economic, political, and cultural development. Modern scientific and technological progress has not only brought about economic globalization, but has also reinforced relations between different nations, different cultures, and different values. In the realm of international human rights, however, this world's political, economic, social, and cultural diversity is still often neglected. From their own experiences, the Asian countries deeply believe that the upcoming World Human Rights Conference—according to the principle that all nations, big or small, should be totally equal and respect one another no matter what social systems they pursue—should democratize the UN system, eliminate selectivity, improve procedures and mechanisms, promote international cooperation, adopt a positive, balanced, and non-antagonistic method for solving human rights issues and realizing human rights in all aspects, and thus ensure that all countries can choose their own courses of development and their own mechanisms for protecting human rights according to their own conditions.

Fifth, expressing deep concern: over various forms of violating human rights, including racial discrimination, racism, racial apartheid, colonialism, foreign aggression and occupation, building settlements in occupied territories, and the recent upsurge of neo-Nazism, xenophobia, and genocide. It is hoped that the World Human Rights Conference will find effective ways to check such behaviors. This point calls for the adoption of the necessary international measures to provide legal protection for people under foreign occupation, urges support for the Palestinian people's struggle to restore their inalienable right of self-determination, and demands that behavior which seriously violates human rights, such as the occupation of Palestinian land, Syria's Golan Heights, and other Arab territories, including Jerusalem, be terminated immediately. The Asian people are peace-loving and human-rights-respecting people. They will strive to improve and achieve their own human rights, and will also care about the human rights conditions of other peoples in the world. They firmly believe that recognizing the inherent dignity, equality, and rights of all members of the human race is the real cornerstone of international justice and peace.

The "Bangkok Declaration," which gives expression to the Asian countries' opinions and demands on international human rights issues, is the strong voice of the Asian nations and peoples. Along with the declarations adopted by the African and Latin American regional preparatory meetings, it will make a major contribution to the drafting of the final document of the World Human Rights Conference.

Vice Minister Heads Delegation to UNESCO Meeting

OW1806074193 Beijing XINHUA in English 0624 GMT 18 Jun 93

[Text] Beijing, June 18 (XINHUA)—A Chinese delegation headed by Vice Education Minister Wang Mingda left here today for Kuala Lumpur, Malaysia, to attend the sixth regional conference of ministers of education and those responsible for economic planning.

Sponsored by the United Nations Educational, Scientific and Cultural Organization (UNESCO), the conference will be held from June 21 to 24.

Government Wishes to Join Trade Arbitration Body

OW1806041993 Beijing XINHUA in English 0213 GMT 18 Jun 93

[Text] Paris, June 17 (XINHUA)—China wishes to join the world trade arbitration body—the International Chamber of Commerce (ICC)—Zheng Hongye, president of the China Chamber of International Commerce (CCIC), said here Thursday [17 June].

Zheng was attending a session of the Cooperation Committee of the ICC and the CCIC held at ICC headquarters here.

Shankar Singhania, president of the ICC, said the ICC is willing to have more cooperative programs with China and work for a better understanding of the Chinese economic system, and that the international organization would strive to facilitate China's entry as a member nation of the ICC.

The ICC was set up in 1920 in Paris and has more than 100 member countries. It also accepts as members individual businessmen and national trade and commerce organizations. The ICC has an arbitration council that deals with trade disputes among individual traders of different nationalities.

The CCIC was established in June 1988 by the Chinese Government.

International Islamic Trade Talks End in Beijing

OW1606154693 Beijing XINHUA in English 1522
GMT 16 Jun 93

[Text] Beijing, June 16 (XINHUA)—The '93 China Beijing International Moslem Economic and Trade Talks, which lasted for five days, closed today in the Chinese capital.

Nearly 300 businessmen from 25 countries and regions and over 100 domestic companies from Beijing, Tianjin, Henan, Hebei, Gansu and Ningxia participated in the talks.

During the talks, the domestic firms exhibited a large number of new products with Islamic characteristics, according to an official in charge of the capital's nationalities affairs.

A total transaction volume of six million U.S. dollars in goods was completed, and in the meantime, a number of cooperative contracts were signed between domestic and overseas businessmen.

Though the five-day talks have ended, an official spokesman noted that some of the business negotiations are still going on, including some land development projects and setting-up of joint ventures.

Beijing wants to make foreign investors aware of the city's investment environment and the state policy on religions through holding the first trade talks of this kind.

Many overseas participants expressed the hope that more such talks will be held, the official said.

Over 100 of the overseas businessmen plan to go to several regions densely inhabited by minority nationalities, including Tianjin Municipality, Sichuan and Yunnan Provinces and Xinjiang and Ningxia Autonomous Regions, according to the official.

Moslem trade and economic relations have expanded rapidly along with the ongoing reform and opening drive, and over the past two years, trade between China and Islamic countries has totaled around 15 billion U.S. dollars each year.

PRC, Russian Schools Host Management Forum

OW1706111593 Beijing XINHUA in English 1020
GMT 17 Jun 93

[Text] Harbin, June 17 (XINHUA)—An international seminar on management science jointly organized by Chinese and Russian universities was closed here today.

The three-day seminar was co-sponsored by the Harbin Polytechnical University in Heilongjiang Province and the Moscow Management University in Russia.

Over 70 scholars and experts from a dozen universities in Russia, Britain, the United States, Denmark, Sweden and China attended the seminar.

During the seminar, the scientists discussed macroeconomic management, foreign trade, industrial trade, system optimization and computer application.

It was the first seminar of its kind jointly held by Chinese and Russian institutes.

United States & Canada

Olympic Spokesman Criticizes U.S. House Subcommittee

OW1806085693 Beijing XINHUA in English 0839
GMT 18 Jun 93

[Text] Beijing, June 15 (XINHUA)—A spokesman of the Chinese Olympic Committee today accused the U.S. House human rights subcommittee of interfering with the just right of the Chinese people and trampling upon Olympic principles.

In an interview with XINHUA, the spokesman said: "The opposition of the U.S. House foreign affairs, international security, international organizations, and human right subcommittee to Beijing's bid for and its holding of the Olympic Games in the year 2000 on the pretext of the so-called human rights issue is a wanton interference with the just right of the Chinese people and tramples upon Olympic principles."

He said: "The People's Republic of China has always devoted to safeguarding and respecting the human rights. It is completely unjustified for a U.S. House foreign affairs subcommittee to oppose the holding of the Olympic Games in the year 2000 in the People's Republic of China out of their political prejudice against China. Any form of discrimination with regard to a country or a person on grounds of race, religion, politics, sex, or otherwise is incompatible with belonging to the Olympic movement."

"The Olympic charter says that the IOC [International Olympic Committee] is the supreme authority of the Olympic movement, and that the election of any city is the prerogative of the IOC alone," the spokesman noted.

"The attempt of the U.S. House foreign affairs human rights subcommittee to exert political influence on the election of the host city for the 2000 Olympic Games is a contempt for the Olympic principles," he said.

The Chinese people have been supporting Beijing's Olympic bid for the sake of developing the Olympic movement, spreading the Olympic spirit and making their contributions to the realization of peace, friendship and progress of the mankind, the spokesman added.

China To Cooperate on Ending 'Illegal Immigration'

HK1806123893 Beijing ZHONGGUO XINWEN SHE in Chinese 0534 GMT 18 Jun 93

[Text] Washington, D.C. 17 Jun (ZHONGGUO XINWEN SHE)—"The United States has expressed to China its hope for joint efforts to stop illegal immigration. We welcome this and will be cooperative on the issue of repatriating the stowaways."

This is part of the statement by Chen Guoqing, press attache of the PRC Embassy in the United States, carried here in today's QIAOBAO [OVERSEAS CHINESE POST].

He said: The Chinese Government has always opposed illegal immigration and has adopted a range of measures to deal harshly with the outlaws involved in illegal immigration. Departments concerned have strengthened inspection of citizens' exit papers at border ports. Public security departments have stepped up marine patrols and interceptions and increased efforts to track down human smuggling rings. Chinese governments at all levels, especially local governments of coastal areas, have taken steps to boost residents' education in law.

Chen Guoqing pointed out that many illegal immigrants had often pleaded "being persecuted by the state family planning policy" for sneaking in the United States. Some people had even defended the stowaways with reasons such as "bad human rights" or "political persecution," which is utter nonsense. Fujian Province was among the first regions to open to the world, where the people have lived a relatively calm and peaceful life, with higher living standards for some of them. The stowaways only dreamed of making a fortune in a foreign country. Few of them ever anticipated that the journey would be so hard and hazardous, much less the plight they would be in when they reached the country of destination.

Chen Guoqing pointed out specifically that illegal immigration has become an international problem. Employers of certain countries hire illegal immigrants, attracting more in turn. The criminal rings engaged in human smuggling are not based in China. That is why it is very difficult for China alone to stop illegal immigrants. Some people are trying to obtain legal residence for the stowaways by having them claim "political asylum," only leading more people to try to sneak into the United States.

Qian Qichen Meets U.S. Guest, Discusses Tourism

OW1706134093 Beijing XINHUA in English 1316 GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—Chinese Vice-Premier and Minister of Foreign Affairs Qian Qichen met here today with Juergen Bartels, president of Carlson Hospitality Group of the United States, and his party.

They had friendly talks on tourism and other issues of common interest.

The American guests who arrived in Beijing yesterday [16 June] are here on a four-day visit in China, at the invitation of the Office of Overseas Chinese Affairs of China's State Council, to explore the possibility of starting hotel business in China.

They are scheduled to leave Beijing for Shanghai tomorrow.

Sino-U.S. Technology Venture Fund Established

OW1706222893 Beijing XINHUA in English 2217 GMT 17 Jun 93

[Text] New York, June 17 (XINHUA)—The Shanghai Pacific Technology Venture Fund (SPTV), a joint venture of Boston-based Pacific Technology Venture Fund, Inc. (PTV) and Shanghai based Science & Technology Investment Company, Inc. has just been established in Shanghai.

According to PTV today, both sides will each contribute fifty percent of the venture fund's initial capital of 20 million U.S. dollars. SPTV will invest in 30 to 40 technology-related enterprises located in the rapidly growing technology markets around Shanghai, the largest city in China.

PTV made its first venture investment in China in 1989, when it established a joint venture with the Beijing Institute of Technology (BIT), to use computer-aided design technology to produce health and recreation equipment.

The venture, BIT-Pacific, which also helps commercialize new technology being originated at BIT, is now one of the leading producers of scientifically-designed exercise and health maintenance equipment in China.

Clinton Recommends Space Station Redesign Option

OW1806073993 Beijing XINHUA in English 0723 GMT 18 Jun 93

[Text] Washington, June 17 (XINHUA)—U.S. President Bill Clinton recommended on Thursday that the nation's space station be based on a combination of two redesign options provided by NASA.

The recommendation, contained in a statement issued by the White House, calls for congressional support for the multi-billion dollar program that has been under development for eight years.

"At a time when our long-term economic strength depends on our technological leadership and our ability to reduce the deficit, we must invest in technology," he said in the statement.

Later in the day at a White House press conference, Clinton noted that the United States "indisputably leads the world in space," and "it is an important area of science and technology."

"I want to tell the American people," the President added, "we need to stay first in science and technology, we need to stay first in space."

Clinton's choice is a scaled-down version of the original design for the space station Freedom. The program, if approved by Congress, would cost some 2.1 billion dollars each year over five years.

The redesigned station will cost about 4 billion dollars less over the period than the original model, which has already consumed about 9 billion dollars.

It stems from two of the three options offered by the National Aeronautics and Space Administration (NASA) to a presidential advisory panel last week at the request of the White House.

A combination of the two designs, known as options A and B, comes with simplified electrical and data systems.

Under such a plan, construction would begin with a space shuttle flight in 1997, and the station would be ready for occupancy by four astronauts in the year 2000 or 2001.

A third design, known as option C, is a large cylindrical-shaped module that is the least expensive for construction over the next five years.

Central Eurasia

Official Apology Given for Capturing Russian Boat

OW1806091793 Tokyo KYODO in English 0836 GMT 18 Jun 93

[Text] Beijing, June 18 KYODO—China officially apologized Friday [18 June] for illegally boarding a Russian fish processor and admitted that the ship has been detained in international waters.

"They said that their customs officials were pursuing other, presumably Chinese, ships in the area and mistakenly captured the Russian boat ... The Chinese expressed deep regret over the incident," a Russian diplomat, who refused to be named, said in Beijing.

A Soyuz 4 fish processor bound from Nakhodka to Singapore was diverted to a military port on Putuo island off Zhejiang Province, on June 9 and released by Chinese authorities June 13.

The Chinese side did not offer any compensation for their breaching of international maritime law but did provide fuel and provisions for the crew, the diplomat said.

When the unmarked Chinese vessel first approached the Russian ship, no radio contact was made.

According to ITAR-TASS NEWS AGENCY, three other Russian boats were attacked by Chinese ships Thursday.

The Russian Embassy in Beijing requested that the Chinese Foreign Ministry make an inquiry into these incidents and was told that no official information was available Friday.

In a similar incident in February, China apologized to Japan for firing upon a Japanese Maritime Safety Agency vessel, also in international waters.

China, which has been making efforts to control rampant smuggling along its long coastline, has been accused of attacking or boarding ships from Vietnam, Taiwan, Japan, the Philippines and Hong Kong.

Use of military-like tactics in these raids has prompted some observers to link the acts to China's recent military buildup and to its territorial claims in the East China Sea and the Spratly Islands in the South China Sea.

Heilongjiang Port Opens for Sino-Russian Trade

OW1706152693 Beijing XINHUA in English 1507 GMT 17 Jun 93

[Text] Harbin, June 17 (XINHUA)—Recently the Mishan customs house in Mishan city of Heilongjiang Province went into operation, which marks the opening of China's 19th first-rate port in this northeastern province.

The Mishan port will become a new channel for Sino-Russian trade and friendly exchanges, local officials said.

Since the State Council approved the opening of the port, the Chinese and Russian sides have built a number of infrastructures such as a highway bridge to link up the two sides, a frontier inspection station and a customshouse, the officials said.

The officials noted that Mishan has convenient highway and railway links with the outside.

Heilongjiang has played an increasingly bigger role in the Sino-Russian border trade over the past few years, and the newly-opened port will further accelerate the development of border trade and economic exchanges.

Heilongjiang Vice Governor Meets Khabarovsk Group

SK1806062193 Harbin Heilongjiang People's Radio Network in Mandarin 2200 GMT 17 Jun 93

[Text] On the afternoon of 17, June Yang Zhihai, vice governor of the province, received in the building of the provincial people's government the Khabarovsk maritime regional delegation of Russia, which is headed by (Lovkis), vice administrator of the Russian maritime region.

During the reception (Lovkis), head of the Russian maritime regional delegation, highly appraised the Harbin border trade and local economic talks and regarded the talks as a bridge of deepening the understanding between China and Russia. He expressed the hope that the talks will improve.

Wu Yi Meets Tajik Counterpart; Accords Signed

OW1806142993 Beijing XINHUA in English 1321
GMT 18 Jun 93

[Text] Beijing, June 18 (XINHUA)—Two documents on a commercial loan in kind provided by the Chinese Government for the Tajikistan Government were signed here this afternoon.

Wu Yi, Chinese minister of foreign trade and economic cooperation, and K.K. Saliyev, Tajikistan's minister of trade and materials, attended the signing ceremony, before which the two ministers held talks on bilateral economic and trade relations.

Wu said that bilateral economic and trade relations between China and Tajikistan have been developing well. Last year bilateral trade volume reached 2.76 million U.S. dollars while during the first four months of this year, the figure hit 4.37 million U.S. dollars.

China attaches much importance to the development of bilateral economic and trade relations between the two countries. Although small, Tajikistan is rich in resources. The two countries are complementary in terms of economy and trade, which embodies a broad prospect for the development of such relations, added Wu.

The two ministers also exchanged views on cooperation in processing of cotton and silkworm cocoons.

XINHUA: Azerbaijan President Flees Baku

OW1806103793 Beijing XINHUA in English 1025
GMT 18 Jun 93

[Text] Moscow, June 18 (XINHUA)—Azerbaijani Speaker of the parliament Geydar Aliyev said in Baku on Friday [18 June] that President Abulfaz Elchibey fled at dawn and he was taking over as the president, reports reaching here from Baku said.

Aliyev made this announcement on national television.

Elchibey fled to the Azeri enclave of Nakhichevan, after he failed to gain support from his military aides in fighting the armed rebels.

According to the ITAR-TASS, a statement from Elchibey's press office said he was forced to leave Baku, capital of the former Soviet republic, for avoiding clashes there and also for the sake of personnel safety.

The government has been fighting armed rebels led by Suret Guseynov, a former army colonel demoted by Elchibey this year in a dispute concerning Azerbaijan's war with Armenia in Nagorno-Karabakh.

It is reported that Guseynov's forces are now advancing toward Baku.

Northeast Asia

Japan Aiding Environmental Protection Programs

HK1806032093 Beijing CHINA DAILY in English
18 Jun 93 p 2

[Report by staff reporter Xiao Wu: "Japanese Donate Millions for Two Projects"]

[Text] Japan yesterday agreed to grant up to 4.92 billion yen (\$46.26 million) to help China set up two projects to improve its environmental protection and agriculture.

The donations were made under the terms of Sino-Japanese agreements signed in Beijing yesterday by Tong Zhiguang, vice-minister of Foreign Trade and Economic Co-operation, and Kunihiro Michihiko, Japan's Ambassador to China.

The assistance is the first of the Japanese Government's donations for the fiscal year which ends next March.

With the grant, China is expected to continue the construction of the Sino-Japanese Friendship Environment Protection Centre and to set up a project aimed at increasing food production in the poverty-stricken areas of Shanxi and Shaanxi provinces.

The Japanese have agreed to extend aid of nearly 10.5 billion yen (\$98.73 million) to help the Chinese establish the environment protection centre, which, in 1995, will receive four instalments of Japanese donations.

Of the latest Japanese donations, 4.22 billion yen (\$39.69 million) will flow into the centre—the third of the Japanese Government's donations for the project.

The Japan-China Friendship Environment Protection Centre is expected to raise the management level of China's environment protection, as well as update the technology for safeguarding the country's air environment.

The Chinese side of the project is the National Environmental Protection Agency.

The Shanxi and Shaanxi agricultural project will receive 700 million yen (\$6.6 million) of the latest Japanese Government's donations.

The Japanese donations are expected to be used for the purchase of farm pesticides, fertilizers and agricultural machinery to help the local farmers build their own self-sufficient grain production system.

Seven counties and at least 1.3 million people in the two provinces are expected to benefit from the Japanese donations.

Liaoning's Quan Shuren Meets Japanese Governor

SK1806064093 Shenyang LIAONING RIBAO
in Chinese 11 May 93 p 1

[By reporter Cui Tiemin (1508 6993 3046): "Quan Shuren and Yue Qifeng Respectively Meet With Nakaoki Yutaka"]

[Text] The 323-member friendship-vessel China-visiting team of Toyama Prefecture in Japan, headed by Nakaoki Yutaka, governor of Toyama Prefecture, conducted friendship exchange activities in nine groups in Shenyang on 10 May.

At 0930 on 10 May, Nakaoki Yutaka arrived at the reception hall of Youyi Guesthouse. On behalf of the provincial government and the 40 million people of the province, Governor Yue Qifeng, who had awaited the arrival of the guests at the entrance of the guest house, extended a welcome to Nakaoki Yutaka for his visit. Yue Qifeng spoke highly of the friendly cooperation between Liaoning and Toyama in various fields over the past nine years and then briefed the Japanese guests on the province's situation in economic development.

Shigeo Yamato, consul general of the Japanese Consulate General in Shenyang, participated in the reception. Also present at the reception were Gao Guozhu, vice governor of the province, and Cui Yukun and Sui Xudong, responsible persons of departments concerned.

At 1530 that very afternoon, Governor Nakaoki Yutaka and his entourage came to the building of the provincial government. There, Governor Nakaoki Yutaka met his old friend Quan Shuren, chairman of the provincial people's congress Standing Committee. Chairman Quan Shuren expressed satisfaction with the successful cooperation between Liaoning and Toyama. Governor Nakaoki Yutaka was very happy to meet Quan Shuren again in Liaoning. He also stated that he was greatly inspired by the rapid economic development of Liaoning.

Yu Xiling, Qi Zheng, and Cui Yukun, vice chairmen of the provincial people's congress Standing Committee, also joined the reception.

Jilin Governor Meets DPRK Trade Delegation

SK1806050293 Changchun JILIN RIBAO in Chinese
26 May 93 p 1

[Text] Comrade Gao Yan received the border trade observation delegation of the DPRK headed by Ku Bon-tae, vice chairman of the DPRK External Economic Committee, in Hunjiang city on 25 May. While making fact-finding tours to learn about border trade in Liaoning and Jilin provinces, the eight-member Korean delegation also attended the first barter trade talk at the invitation of Hunjiang city.

During the reception, Comrade Gao Yan briefed the Korean guests on the province's economic development scored over the past few years and on the province's

excellent situation in reform and opening up. Comrade Gao Yan said: "China and the DPRK have a traditional and close friendly relation as well as a long history in barter trade in the border areas. Particularly since the reform and opening up conducted by our country, the activities of border trade between China and the DPRK have become increasingly active and played an active and promoting role in developing the economy in the border areas. The border trade talk sponsored by Hunjiang city is a grand meeting of the economy and trade. The number of businessmen from the DPRK who have attended the border trade talk has been larger than before and the talk's scope has been larger too. It is an important event that has brought into play Hunjiang city's border strong point and its strong points of natural resources, that has broadened the province's program of opening up, that has implemented the strategic target put forward by the provincial party committee with regard to building Jilin into a developed border and coastal province, and that has accelerated the economic development." During the reception Comrade Ku Bon-tae, vice chairman of the DPRK External Economic Committee, also made an ebullient speech. Also attending the reception were the principal leading comrades of Hunjiang city and responsible comrades from the provincial-level departments concerned.

DPRK Workers Party Delegation Visits Jilin

SK1706083593 Changchun JILIN RIBAO in Chinese
28 May 93 p 1

[Text] At the invitation of the International Liaison Department under the CPC Central Committee the seven-member party workers' delegation headed by Pak Chun-Keun, deputy director of an unidentified department of Workers Party of Korea Central Committee, arrived in Changchun on 26 May to pay a friendly visit to our province.

On the evening of 27 May Xu Tianzhong, member of the provincial party Standing Committee and director of the propaganda department under the provincial party committee, received all delegation members at the Nanhu Guesthouse. Comrade Xu Tianzhong delivered a speech in which he, on behalf of the Jilin Provincial CPC Committee, welcomed the delegation's visit to our province and briefed the guests on the achievements scored by our province since the enforcement of reform and opening up. He briefed them on the province's implementation of the spirit of the 14th CPC Congress and the spirit of the sixth provincial party congress. Pak Chun-keun, head of the Korean delegation, also made a speech in which he extended congratulations for our province's achievements scored over the past years.

Attending the reception were comrades including Liang Jichang, director of the provincial foreign affairs office, and Zhang Xinmin, director of the general office under the provincial party committee.

Wang Qun Meets Mongolian Consul General

SK1806050493 Hohhot NEIMENGGU RIBAO
in Chinese 24 May 93 p 1

[Text] Wang Qun, chairman of the autonomous regional people's congress Standing Committee, received Jundui Saara, Mongolian consul general in China, in the auditorium of the autonomous regional people's government on the morning of 23 May.

During the reception, Wang Qun delivered a speech in which he first extended thanks for the congratulations given by the consul general on his new post of chairman of the autonomous regional people's congress Standing Committee. He also briefed the consul general on the regional development. He said: Since the enforcement of reform and opening up and particularly after the 14th CPC Congress, we have further enhanced our confidence in development. Although the region's pace in development is a little slower than that of coastal developed provinces, the state's special policies for the key projects of economic strategy have brought about a rare opportunity for the region's development in various fields. Under such a situation, the further enhancement of cooperation between China and Mongolia will benefit the economic development of each. Wang Qun hoped that hereafter, both sides would consolidate or develop the existing friendship and carry out more extensive cooperation in various fields.

During the reception, Jundui Saara also made a speech in which he highly appraised the outcomes of the "two sessions" of the autonomous regional people's congress and the Chinese People's Political Consultative Conference committee, which have just concluded. He also extended congratulations on the newly-elected leadership of the autonomous regional people's congress and the new autonomous regional people's government. He said: The autonomous region's development in various fields has been faster and the region has scored very large achievements in its economic construction. Mongolia is closely connected with Inner Mongolia Autonomous Region by common mountains and rivers. A solid foundation in friendship and cooperation is existing between them. It is convinced that hereafter, both sides will have much cooperation in the economy, culture, and others.

Attending the reception were Yu Xinglong, vice chairman of the autonomous regional people's congress Standing Committee, and responsible persons from the autonomous regional foreign affairs office.

Southeast Asia & Pacific**Sihanouk Urges Khmer Rouge To Meet Interim Government**

BK1706120093 Beijing China Radio International in
Cambodian 1030 GMT 17 Jun 93

[Text] It was reported that in his reply to Mr. Khieu Samphan, president of the Party of Democratic Kampuchea, on 16 June His Royal Highness Prince Norodom

Sihanouk urged the Party of Democratic Kampuchea to send a delegation to Phnom Penh for a family-type consultation with the Provisional National Government of Cambodia [PNGC] to discuss the ethnic Vietnamese issue in Cambodia and Cambodia's relations with Vietnam. The PNGC was just set up to replace the government of the State of Cambodia.

Comments on Constitution Noted

BK1806120593 Beijing China Radio International in
Cambodian 1030 GMT 18 Jun 93

[Text] Our station correspondent reports from Phnom Penh that on the morning of 18 June at the Royal Palace in Phnom Penh, His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the SNC [Supreme National Council], talked about principles of the new Cambodian constitution to be drafted, to the representatives of the five permanent members of the United Nations who were attending an expanded meeting on the Cambodian problem.

These principles include one asserting that Cambodia is neither a kingdom nor a republic; it is a sovereign, independent, neutral, and nonaligned country with territorial integrity. Cambodia's maritime border is the one drawn in 1963 and 1969 which is recognized by the international community. Cambodia adopts a parliamentary and multiparty system but not a presidential one, and will firmly adhere to the principle of a clear separation of the legislative, executive, and judiciary. The judicial power has to be absolutely independent from the government and various parties. Cambodia will absolutely not join any military alliance and will not allow any country to set up bases within its land and maritime borders. Cambodia's national defense forces will be used only for defensive tasks. Cambodia will always have freedom of religion. Buddhism is Cambodia's national religion; Islam and Christianity are officially recognized and supported. Cambodia will absolutely not interfere in other countries' internal affairs and will also not allow others to interfere in Cambodia's internal affairs.

The prince said that the constitution to be drafted by the Constituent Assembly will be promulgated by him in September 1993.

Our correspondent in Phnom Penh reports that HRH Prince Norodom Sihanouk, Cambodian head of state, will visit the DPRK in August and go to Beijing in mid-September for medical treatment.

In his 17 June message to Son Sann, chairman of the meeting of the Cambodian Constituent Assembly, Prince Norodom Sihanouk said that he will go to the DPRK at the invitation of Chairman Kim Il-sung and at the suggestion of Chinese doctors. In this message, the prince said that while he is out of Cambodia, the chairman of the Constituent Assembly will be head of

state on his behalf. If the chairman of the Constituent Assembly is out of the country, the first vice chairman will assume this function.

HRH Prince Norodom Sihanouk said that he will himself promulgate the new Cambodian constitution after he returns to Cambodia.

Singapore's Prime Minister Mahathir in Xinjiang
*OW1706130893 Beijing XINHUA in English 1242
GMT 17 Jun 93*

[Text] Urumqi, June 17 (XINHUA)—Visiting Malaysian Prime Minister Mahathir Mohamed arrived here by air today to begin his two-day visit to the northwest China's Xinjiang Uygur Autonomous Region.

Among those who greeted him at the airport was Tomur Dawamat, chairman of the autonomous region.

Discusses Trade With Tomur Dawamat
*BK1806061093 Kuala Lumpur BERNAMA in English
0324 GMT 18 Jun 93*

[From Abdul Rahman Sulaiman]

[Text] Urumqi, June 18 (OANA—BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed this evening held talks with the governor of China's Xinjiang Autonomous Region, Tomur Dawamat, on possible economic cooperation between Malaysia and the Muslim-dominated region.

Also present during the talks held at the People's Hall here were senior delegation members from both sides.

Dr. Mahathir, who flew here this afternoon on the second leg of his 10-day official visit to China, said earlier that Malaysia was particularly interested in participating in the development of the petroleum and mining industry in the region.

The Xinjiang region, which is one sixth of the entire mainland China in size, is rich with oil, gas, and mineral resources which are still largely untapped.

The region has a population of 15 million, 9 million of whom are Muslims.

On arrival at the Urumqi Airport, Dr. Mahathir and his wife, Dr. Siti Hasmah Mohamed Ali, were received by the governor, Vice Governor Wang Seguan, and mayor of the city, Yusof Aisa.

Later, the prime minister was briefed on the economic development of the region by leading members of the provincial government at the Government Guest House where Dr. Mahathir and members of his official party are staying until Friday.

Malaysia's National Carrier Given More Flights
*BK1806061593 Kuala Lumpur BERNAMA in English
0331 GMT 18 Jun 93*

[From Abdul Rahman Sulaiman]

[Text] Urumqi, June 18 (OANA—BERNAMA)—China has allowed Malaysia Airlines to operate three additional flights a week into Beijing and Guangdong with immediate effect.

At present the airline flies there only three times a week.

This follows the signing of a confidential memorandum of understanding in Beijing Wednesday between Transport Minister Dr. Ling Liong Sik and the Chinese minister of communications, Huang Zhendong.

Dr. Ling told Malaysian newsmen here Thursday that in return Malaysia also provided reciprocal rights to China Airlines [title as received].

The agreement also provides for increased frequencies for the Malaysian national carrier to eight next year and twelve in 1996.

Malaysia is seeking additional destinations in China. They are Shenzhen, Kunming, Shanghai, Chengdu, and Xiamen.

[Words indistinct] officials of the two airlines would meet before the end of the year for further negotiations.

Dr. Ling said Malaysia had offered Langkawi, Kuching, and Kota Kinabalu as flight destinations to the Chinese carrier which at present only flies to Kuala Lumpur and Penang.

The minister was confident that the additional flights were sought due to the high load factor. At present, the load factor on the Kuala Lumpur-Guangdong sector was about 80 percent and that beyond was 40 percent.

Dr. Ling said China also supported the proposal for the establishment of the port state control network for the Asia-Pacific region.

Under this proposal, the port of call of the flag carrier would be able to ensure that ships calling at their ports will be safer and in better condition.

This would help reduce accidents and oil spills and provide for better sea pollution control.

Thai Group's Subsidiary To Develop Pudong Project
*OW1806111993 Beijing XINHUA in English
1055 GMT 18 Jun 93*

[Text] Bangkok, June 18 (XINHUA)—Thai Charen Pokphand (CP) group's subsidiary, the Hong Kong-based Fortune group, is to develop a residential project costing 2.5 billion baht (100 million U.S. dollars) in Pudong, Shanghai, east China.

Pang Shu Chun, the general manager of Fortune World Development Co Ltd, told press reporters today that the project has received special privileges from the government, including a 70-year lease.

The government's regulation is intended to protect customers. Once the project is open for sales, both locals and foreigners can reserve space.

Shanghai, a city with a population of 13 million, is expected to be the financial and trade center of the region by the next decade.

Currently, a great number of foreign investors are moving into the city. As a result there has been an increase in the demand for residential units.

Near East & South Asia

CPPCC's Wu Xueqian Meets Egyptian Delegation

OW1806040193 Beijing XINHUA in English 0318
GMT 18 Jun 93

[Text] Beijing, June 18 (XINHUA)—Wu Xueqian, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), met with a visiting delegation from the Egyptian Committee for Afro-Asian Solidarity here today.

The delegation, led by the committee's Chairman Ahmad Hamroush, arrived here on June 15 for a two-week long visit to China as guests of the Chinese People's Association for Friendship With Foreign Countries.

Apart from Beijing, the Egyptian guests are also scheduled to visit Shanghai, Hangzhou and Guangzhou.

Kuwait Loans Money for Highway Construction

OW1706152593 Beijing XINHUA in English 1459
GMT 17 Jun 93

[Text] Xian, June 17 (XINHUA)—Representatives of the Kuwait Fund for Arab Economic Development signed a contract here Wednesday [16 June] to loan 30 million U.S. dollars for building a highway starting from this capital of Northwest China's Shaanxi Province.

Construction of the 145 km highway, ending in Baoji city in the western part of the province, was started in April last year and is expected to be completed by 1995.

The loan will be paid back from November 1997 to May 2011.

The fund, a governmental agency for providing financial aid to developing countries, especially Arab countries, has offered 400 million U.S. dollars in loans to China since 1982.

The loans went to 18 projects, including construction of airports, ports, and processing industry.

Beijing To Help Build Friendship Hospital in Sudan

OW1606211093 Beijing XINHUA in English 1830
GMT 16 Jun 93

[Text] Khartoum, June 16 (XINHUA)—China will help build a friendship hospital which was initiated today in the Om Durman District in the Sudanese capital of Khartoum.

Sudanese Government officials and Chinese Ambassador to Sudan Wu Decheng attended the foundation stone laying ceremony.

The hospital, occupying an area of 380,000 square meters, will have four main sections—the outpatient clinic with 17 medical treatment units, the internal division with 150 beds, the medical and auxiliary technical section, and the operational services and public utilities section.

According to an agreement signed on September 27, 1992 between the two governments, China extended a soft loan of 65 million Chinese yuan (about 12 million U.S. dollars) to the Sudanese Government for the construction of the hospital.

The project will be undertaken by the International Economic and Technical Cooperation Company of Ningbo city, Zhejiang Province in South China, and is expected to be completed within 36 months.

XINHUA: Pakistan Accepts Bosnian Refugees

OW1806114693 Beijing XINHUA in English 1109
GMT 18 Jun 93

[Article by Hu Xiaoming: "Pakistan Becomes First Non-European Country To Receive Bosnian Refugees"]

[Text] Islamabad, June 18 (XINHUA)—A total of 266 Bosnian refugees including 82 children and 31 infants arrived here from Croatia today by a special flight.

Pakistan has become the first non-European country to receive Bosnian refugees.

Bosnian Ambassador to Pakistan Seljida Silajdzic, who was present at the Islamabad international airport to receive the refugees, told XINHUA that Pakistan is accommodating Bosnian refugees on an emergency basis.

"The Croats are chasing away the Bosnian people," she said. "We are very grateful to Pakistan for accepting the refugees who have no documents."

The Bosnian ambassador met with Pakistan Prime Minister Nawaz Sharif Wednesday [16 June] and they discussed the refugee issue.

Bosnia requested Pakistan to accept 400 refugees for the time being.

"We are ready to accommodate as many as refugees as we can," Gul Hanif, additional secretary of Pakistan Foreign Ministry, said.

Some 200 more Bosnian refugees are expected to reach here tomorrow or the day after tomorrow.

The refugees will stay in the Haji complex in Islamabad for one and a half months to two months, then they will be shifted to some cold places near Abbottabad, a city some 60 kilometers north of here, Pakistan Minister for States and Frontier Regions Yaqub Khan [Nasir], who was also present at the airport, told XINHUA in an interview.

East Europe

Albanian Government Group Pays 'Working Visit'

Tirana Departure Reported

OW1706022393 Beijing XINHUA in English 0147
GMT 17 Jun 93

[Text] Tirana, June 16 (XINHUA)—An Albanian Government delegation led by Vice Premier [Deputy Prime Minister] Bashkim Kopliku left here today for a working visit to China with the aim, he said, of making relations between their two countries as close as possible.

The delegation will be looking to encourage Chinese investment in Albania and seek assistance with the renovation of factories originally built with China's help.

Kopliku Meets Li Tieying

OW1706140193 Beijing XINHUA in English 1347
GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—Chinese State Councillor Li Tieying said here today that China is willing to promote and develop exchanges and cooperations with Albania in various fields on the basis of the five principles of peaceful coexistence.

The Chinese state councillor made the remark when he held talks with visiting Albanian Vice-Premier [Deputy Prime Minister] Bashkim Kopliku here at the Diaoyutai State Guesthouse this afternoon.

Kopliku is the first Albanian vice-premier to visit China in over ten years. He arrived here today as guest of the Chinese Government for a one-week official visit to China.

According to an official from the Chinese Foreign Ministry, Li and Kopliku exchanged views on bilateral relations and international and regional issues of common concern in a friendly atmosphere.

Li said that peoples of China and Albania share traditional friendship, and there are no conflicts of interests between the two countries.

Developing friendly relations between China and Albania is in the fundamental interests of the two peoples, Li noted.

He said that a positive tendency has arisen in the development of Sino-Albanian relations in recent years, adding that exchanges and cooperations in politics, economy, science and technology, and culture between the two sides have increased.

On the basis of the five principles of peaceful coexistence, Li pointed out, the Chinese Government is willing to make efforts in promoting and developing cooperations and exchanges in various fields with Albania, particularly bilateral economic and trade relations.

He said that China and Albania have a good tradition of bilateral economic and cooperations.

As long as the two sides actively seek areas and create conditions for cooperation, he said, the bilateral economic and trade relations may be resumed and enhanced.

Touching on the Taiwan issue, Li expressed his appreciation over Albania's principled stand of "one China" and not establishing official relations with Taiwan.

During the talks, Li, who is also minister in charge of the State Commission for Restructuring the Economy, briefed Kopliku on situations of China's economic restructuring and the achievements it has made in this aspect.

Kopliku also briefed Li on Albania's domestic situations. He said he is happy about the resumption and development of Albanian-Chinese relations.

He said that Albania would like to learn about China's experience in economic restructuring and is willing to further expand bilateral trade and economic cooperations.

Exchanges Views With Qiao Shi

OW1806121093 Beijing XINHUA in English 1128
GMT 18 Jun 93

[Text] Beijing, June 18 (XINHUA)—Qiao Shi, chairman of China's National People's Congress Standing Committee, said here today that China is willing to further its state relations with Albania on the basis of the five principles of peaceful co-existence.

In a meeting with visiting Albanian Vice-Premier [Deputy Prime Minister] Bashkim Kopliku and his party, Qiao added that the two peoples of China and Albania have enjoyed traditional friendship.

Now, he said, the two countries are working hard for their economic construction according to their own national conditions.

Both of them have shared the hope for enhancing bilateral cooperation on the basis of the principles of mutual respect, equality and mutual benefit, which will be a good foundation for the further growth of bilateral relations, he said.

Qiao said he was very pleased to note that a positive trend of development has appeared recently in bilateral

relations, adding that it is his hope that the two sides will make common efforts to sustain such a trend.

During the meeting, Qiao briefed the guests on China's reform and opening to the outside world.

Kopliku said the Albanian people thanked China for its assistance to their country in the past.

He told Qiao that the purpose of his current China trip is to strengthen friendship between the two countries and promote mutually beneficial cooperation, economic relations and trade in particular.

During the meeting, Kopliku also gave a brief account of the domestic situation of his country.

Qian Qichen Meets Slovenian Official

OW1706141993 Beijing XINHUA in English 1400 GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met here today with Ignac Golob, secretary of state of the Foreign Ministry of Slovenia.

Golob passed on a letter from Janez Drnovsek, prime minister of Slovenia, to Premier Li Peng.

During the meeting, the two sides expressed their satisfaction with the development of the bilateral ties since the establishment of the diplomatic relations and willingness of furthering cooperation in various fields between the two countries.

Golob and his party arrived here yesterday for political consultations as the guests of the Chinese Foreign Ministry. Earlier today, Chinese Vice-Foreign Minister Tian Zengpei held talks with Golob.

Latin America & Caribbean

Cuban Embassy Announces Foreign Minister To Visit

HK1706111293 Hong Kong AFP in English 1019 GMT 17 Jun 93

[Text] Beijing, June 17 (AFP)—Cuban Foreign Minister Roberto Rovaina Gonzalez will arrive in China on Saturday for a five or six day visit, Cuba's embassy in Beijing said Thursday.

The length and content of his visit have yet to be finalised, an embassy spokesman said.

China's foreign ministry also announced the visit without giving details.

China and Cuba are among the increasingly few nations still embracing communism.

Completely dependent on Moscow until the break up of the Soviet Union in 1991, Cuba is now in dire economic

straits and seeking to bolster its relationship, particularly concerning economic cooperation, with China.

The Cuban and Chinese communist parties have regular exchange visits.

Qian Qichen: Visit To Promote Ties

OW1706130493 Beijing XINHUA in English 1246 GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen said here today that the upcoming visit to China by Cuban Foreign Minister Roberto Robaina Gonzalez, would help promote the development of bilateral relations.

Qian made the remark when he was interviewed here this afternoon by a Cuban correspondent concerning the Cuban foreign minister's visit, which is scheduled to begin Saturday [19 June].

Cuba was the first Latin American country which established diplomatic relations with China, Qian noted when asked to comment on the current status of bilateral ties by the correspondent, Rolando Esteban Rodriguez, with Cuba's "PRENSA LATINA", or the LATIN AMERICAN NEWS AGENCY.

Generally speaking, bilateral relations have been developing smoothly, and in recent years, in particular, such relations have been growing rapidly, he said.

Foreign ministers of the two countries exchanged visits in 1989 and high-level visits have increased since then, he added.

Cuba is one of the major trading partners of China, and bilateral trade volume reached 380 million U.S. dollars last year, Qian said.

In addition, Qian went on, the two countries have many identical or similar views in dealing with international affairs.

Speaking of the prospect of Sino-Cuban relations, Qian said that the visit of Foreign Minister Robaina will be a "good chance" for promoting such relations.

According to Qian, during the visit the two foreign ministers are expected to discuss a wide scope of topics including the domestic situations of their respective countries, bilateral ties, regional and international issues.

Qian noted that it is important for China and Cuba to enhance mutual understanding so as to further develop relations.

The two countries can discuss ways of economic cooperation on a mutually-supplementary, equal and mutually-beneficial basis and according to their realities.

"There will be a good prospect for Sino-Cuban relations," Qian concluded.

Political & Social

Shenzhen Changes Poster To Stress 'Party Line'

HK1806042093

[Editorial Report] Hong Kong LIEN HO PAO in Chinese on 16 June carries on the right of page 2, straddling the fold, two 3 and 3/4 inch square "before and after" photographs of a large roadside poster of Deng Xiaoping, sited in Shenzhen Special Economic Zone, showing a significant change in the wording of the slogan which was effected "a week ago."

On the "before" poster the slogan reads:

"Without adhering to socialism,

Without reform and opening up,

Without developing the economy, and

Without improving the peoples' livelihood,

There will only be a blind alley."

The "after" poster slogan reads:

"Adhere to the party's basic line for 100 years without vacillation."

The accompanying text states that "the mainland's soaring inflation is not only affecting the livelihood of the people but officials are also worried that it is a time bomb for popular revolt (min bian 3046 6239)." The poster was made during Deng's southern tour and erected at the junction of Shennan and Hongling Roads in the centre of the zone.

The text also reports that there is a huge banner on the front of the Shenzhen Theater which reads: "All power belongs to the people."

Son-in-law Says Deng's Health 'Good'

HK1806031393 Hong Kong WEN WEI PO in Chinese
18 Jun 93 p 11

[Report: "Wu Jianchang, Deng Xiaoping's Son-in-law, Reveals in Hong Kong That Deng Is in Good Health and Enjoys Taking Walks and Playing With His Grandchildren"]

[Text] Wu Jianchang, Deng Xiaoping's son-in-law, who is also chairman of Dongfang Xinyuan Nonferrous Metals Group and vice president of China Nonferrous Metals Corporation, said at a company party yesterday that Deng Xiaoping is in good health and enjoys taking walks and playing with his grandchildren.

Asked whether Deng Xiaoping had issued any instructions on the Sino-British talks, Wu Jianchang did not reply and only said that Deng Xiaoping has retired.

Journal on Peasants' Burdens, Deng's 'Warning'

HK1806075493 Haikou XIN SHI JI in Chinese No 50,
10 Jun 93 pp 9-15

[Article by Chen Wenmin (7115 2429 2404) and Liu Junming (0491 6511 2494): "Peasant Burdens Are an Invisible Knapsack"]

[Text] The year 1992 saw great emancipation of minds and the best agricultural situation. It was also a year when difficulties were encountered in agriculture and the peasants poured out their grievances. The peasants' burdens were aggravated and growth of their incomes was slow. The peasants had yearned to work hard to become affluent and attain the goal of a comparatively affluent living standard. However, their burdens, an invisible knapsack, made it difficult for them to take a step forward in attaining the goal. How can they make the long journey with such a heavy burden?!

The Means of Apportionment Changed Ingeniously Like the Monkey King Playing Tricks

A folk rhyme prevailed in the rural areas in the central and west regions: The peasants are toiling, facing the earth with their backs against the sky; the peasants are sad as they are pressed from all sides by apportionments; and the peasants are worried about school fees for their children. As the heavy burden has exceeded the peasants' bearing capacity, they had no option but to moan.

The wind was blowing and the weather was cold on 31 December 1992. The front gate of the Lianshi party committee was quiet on the cloudy day. In the mist, a thinly clad middle-aged peasant, who was walking with heavy steps, stopped at the gate. He had a plastic bag full of withered and yellow grain in his left hand and a board in his right hand with the words "All sides are pressing the peasants for apportionment, and thousands upon thousands of peasants have no way out; when will such a situation end?" with the signature "Wang Qing Tian" [looking at the blue sky]. He stood there apathetically in the piercing wind, but his melancholic eyes revealed his discontent and indignation. His arrival changed the quiet atmosphere. People gathered around to watch and inquire about the situation. The middle-aged man suddenly unbuttoned his shirt. A bloody cross on his thin chest attracted the attention of those present, who were shocked and expressed their sympathy.

The man was a peasant from a remote mountainous area. He left home and took a long journey here because he could not bear the heavy burden. His family had two mu of land and could annually earn 288 yuan for the 1,600 jin of double-harvest grain sold at the price of 18 yuan per dan. However, he had to pay taxes of 30 yuan, land leveling charges of 70 yuan, 130 yuan for farm pesticide and chemical fertilizers, 50 yuan for winter water conservancy works, and 13 yuan for early rice plastic sheeting, which totaled 343 yuan. As a result, he had to suffer a deficit of 55 yuan for every mu of land. He could not deliver the old and new payments totaling

1,000 yuan even by selling all his crops. As he had no other options, he delivered all his crops, sold his dilapidated house left by his ancestors, and traveled a far distance to the province's capital to file a complaint. If he could succeed, he would return home to till his land. Otherwise, he would have to loaf about.

The peasant called "Wang Qing Tian" represents to a certain extent the discontent of some peasants over the current situation in the rural areas. One can learn more by making a trip to the countryside.

Zhang, party member and chief of Beitang village, talked about the situation of the village, which had more than 500 mu of land and over 1,000 people. The village had enterprises before 1986, and the collective economy developed pretty well. The peasants benefited much during the early period of the implementation of the responsibility system. When they reaped bumper grain harvests, the peasants had enough to eat and wear. Taxes and payments were less than 20 yuan per mu (including treasury bonds). With living standards ensured, the peasants were in high spirits. They were satisfied with the party's good policies. In recent years, however, some people tried by every means to line their pockets at the expense of the collective economy. The peasants even had to share and repay the principal and interests on loans obtained by the village in the past. In addition to all kinds of apportionments, which increased every year, taxes and charges rose from five to dozens of items and the amount increased from less than 20 yuan to more than 100 yuan per mu. Zhang listed the charges to be paid by the peasants of the village every year:

Agricultural taxes are 15.6 yuan per person;

Township overall charges are 10.7 yuan per person, which includes 1.2 yuan for care given to disabled servicemen and family members of revolutionary martyrs, 0.7 yuan for family planning, 0.8 yuan for militia training, and 8 yuan for education surcharges;

Village retention totals 10 yuan per person;

Funds mustered by the village are 9 yuan per person, which includes 2 yuan for the welfare institute, 1 yuan for security, 1 yuan for the township clinic, 1 yuan for helping the disabled, 3 yuan for afforestation, and 1 yuan for the development zone management and production fund;

Charges for labor service increased to 3.2 standard workdays, which includes 1.2 voluntary workdays; if calculated according to local cost of 5 yuan per workday, each person has to pay 6 yuan;

Collective production charges total 31 yuan per person, which includes 6 yuan for water charges and 25 yuan drawn by the production groups for pumping water to irrigate the fields;

Four service charges collected by the departments concerned of the town are 12.3 yuan per person;

1. The veterinary station directly collects an average of 5.5 yuan from the peasant households for three kinds of livestock services (epidemic prevention, castration, and home visits), an average of 12 yuan for services given to farm cattle and 3 yuan per person, and an average of 2.5 yuan for live hogs;

2. The land management departments issue certificates for use of land for housing, collecting 11 yuan from every peasant household occupying less than 200 square meters, an average of 3 yuan, and 16 yuan from those occupying more than 200 square meters;

3. The land management departments collect compensation fees for the use of land for housing, 12 yuan from every household or 3 yuan per person based on the charges of 0.1 yuan per square meter; and

4. The public security organs collect 3.5 yuan from every household, an average of 3 yuan for the issue of rural residence booklets.

Of the above-mentioned charges, the peasants should actually be responsible for only 11 items according to the provisions of the State Council or an average of 29.7 yuan, which accounts for 5.88 percent of peasant per capita net income in the previous year. In addition, there are also charges for insurance, water conservancy work, cadre subsidies, group activities, and mustering funds for building schools, killing rats, highway maintenance, technical guidance, newspapers, and township development.

Following the repeated injunctions made by the central government on alleviating the peasants' burdens, charges collected by the village in 1992 became more "ingenious." To deceive the public, the village committee turned all the charges into one comprehensive item, "agricultural tax," and assigned the quotas to each household, 80 yuan per mu and 40 yuan per person. Indeed, the number of items was reduced, but the amount enormously increased. If the quotas are not fulfilled, individual peasants have to pay cash to make up for the difference. The township party committee secretary openly said that the Kuomintang had too many taxes while the Communist Party had too many meetings in the past. Now the situation is different: there are too many meetings as well as taxes. The payments for 1992 must all be collected in light of contracts. If cuts are necessary, it can only be determined in the coming year. The secretary also invited an official from the police station to attend the village meeting of party members and a small number of mass representatives, who announced that the township and village will use comprehensive means to collect the payments. Now the peasants are suffering from the same psychological and economic pressure. Some peasants try to borrow money from others to pay the charges, while most of the peasants are helpless. Whenever the collectors come to the village, the peasants lock their homes and hide themselves. This village is not too bad. There are some other villages which take real action in apportioning and

pressing the peasants for payments. If the peasants cannot fulfill their quotas, various kinds of penalties are meted out.

Why Cannot Good Policies Be Properly Implemented? People Are Watching and Thinking

Peasants support the state's policy of reform and opening up from the bottom of their hearts. They say that the general principles and policies of the central government are good and are aimed at benefiting the peasants. For this reason, they have taken a positive attitude in delivering public grain and fulfilling the retention and other quotas assigned by the state, regardless of the amount. However, they have adopted a dilatory attitude and refused to deliver the charges for entertainment and banquets assigned by the village. In recent years, some rural grass-roots level cadres have been impetuous in their work. On the one hand, they deceive their superiors and delude their subordinates. They do work perfunctorily to please their superiors. To display their "achievements" during their term of office, they raise the quotas imposed on the peasants, irrespective of the overall agricultural situation and peasant interests, making the burden unbearable for the peasants. On the other hand, instead of thinking of ways to lead the peasants to the attain the goal of a comparatively affluent level, they eat, drink, and send gifts at the expense of the collective and take collective property. As a result, the village economy has become an "empty shell," and the relationship between cadres and the masses remains extremely tense.

After the brickyard of a village was contracted to a villager named Wang, he was required by the contract to hand over 20,000 yuan to the collective each year. After the secretary of the village party branch was invited to a sumptuous feast at Wang's home, he, with one stroke of the pen, put down an additional term in the contract which read: "All expenditures of the brickyard shall be covered by the village committee." This way, contractor Wang easily got an excuse to encroach on collective properties. By now, Wang has built a new three-story house with the money he made in the brickyard, but has not paid any part of the 40,000 yuan profit that should be delivered to the village over two years according to the contract. The village cadres did not find fault with him and, instead, renewed the contract with him by one year. The villagers, feeling aggrieved, said: The legally binding "contract" is but a scrap of paper when it comes to the reality that "personal influence" is greater than law.

Some village cadres try to fool and cheat peasants. The cadres of a township in Hantian County never enthused about guiding the peasants toward a life of moderate prosperity, but were very keen on pressing for payment of fees. The "Regulations" of the State Council provide that the financial obligation on peasants should not exceed 5 percent of their per-capita income in the previous year. But the contributions to the three-level retention funds [ti liu 2251 3966] required of peasants in

some villages reached 13-15 percent of their per-capita income in the previous year. If the peasants refused to pay, village cadres would warn that what is used in imposing family planning will be used to collect contributions to the retention fund, namely the method of "five procedures." The so-called "five procedures" are: Confiscating stored grain, taking away pigs, and dismantling the houses for households that have no money to contribute to the retention fund, and putting handcuffs on and putting into prison those who have an attitude problem.

In October 1992, Tongzhou Village was in an unbroken spell of wet weather while the cotton in the fields could not be harvested in time. Failing to collect cotton from the fields, a peasant named so and so in the fifth team of the village had no cash to pay his contribution to the village retention fund in time. His case was handled as an outstanding example of refusal to pay tax. On 29 October, without informing the villagers beforehand, the village committee invited law enforcers of the people's court to the village. The court issued the following order of payment to all the farming peasants of the village:

Order of Payment

Petitioner: Tongzhou Village Committee

Respondent: So and so

On 28 October 1992, the petitioner, Tongzhou Village Committee, petitioned this court for an order of payment, requesting this court to urge the respondent to make the required payment.

Investigation shows that the facts and evidence affording ground for the said petition are clear and sound and that the relationship between the creditor and the debtor is definite. In accordance with the provisions in Article 191 of the "Civil Procedural Law of the People's Republic of China," this court instructs the respondent, so and so, to pay his debt in the sum of 298.5 yuan to the petitioner, Tongzhou Village Committee, within 15 days from the date of receipt of this order.

Should the respondent find this order of payment unacceptable, he may submit a written objection to this court within 15 days from the date of receipt of this order.

The petition fee, 50 yuan, shall be borne by the respondent.

Judge: Liu

Date: 28 October 1992

The public was filled with indignation and driven beyond forbearance by the fact that an ordinary person had to face the court for failure to pay his contribution to a pooled fund [ji zi kuan 7162 6327 2949] in time. They organized themselves spontaneously and went to the intermediate people's court and relevant departments to demand that justice be upheld.

After the incident, many peasants in this village abandoned farming and left the village one after another. They said that they would rather tire themselves to death somewhere else than suffering from this at home.

Why did the leaders of this village spare no effort in collecting contributions to the village's retention fund? Was it because they were keen on fully meeting the state-assigned fund collecting quota? No, it was not! A local folk rhyme indirectly answers this question. This is how they describe their village cadres: It is your money, not your land, for which I care; it is my drinks, not your food, about which I care. To be sure, cadres like them are a small handful, but still it should alert us.

Peasant W said: Today's village cadres have learned to be very astute and would not do anything that offends people themselves. Instead, they engage a number of people from another village to be "cannon fodder" and help them do some offensive things. But those who are brought in this way are no idiots. They first bring their wives and children to the village as well and live in houses built with the state's money. Each of them earns a monthly salary of over 100 yuan. Once a village cadre gives an instruction, the "cannon fodder" go ahead with swearing and beating. Moreover, they may resort to "five procedures," snatching away grain, pigs, or even dismantling houses as penalties. The indignant local peasants said that these people are even worse than the Kuomintang. We remember that when Chairman Mao was alive, even a cadre at the battalion commander level was not allowed to bring his wife with him. Recalling Chairman Mao's attitude to peasants when he was alive and looking at these "local tyrants" who only grow brambles instead of flowers for the party, we do feel that even our parents are not as dear to us as Chairman Mao!

In big hospitals in Y City and X City, one can see many peasants, sallow and haggard with dull eyes, waiting to sell their blood. Most of them are selling blood because they cannot find a better way to make money and this is just an expedient means to get some cash. I interviewed a young peasant named Hu, from the blood-selling queue. At the age of 26, he had been selling his blood for three years. He told me that his village is very poor, with infertile land, emaciated villagers, and a serious shortage of water. Any small natural disaster will dash all hopes for any harvest. None of his relatives, close or distant, and neighbors could help him find something else to do. He was left with no choice but to barter his blood for money. I asked: Selling your blood? Can your frail body take it? He said: No problem. There are over 200 households in the village and one person out of three households is in the blood-selling contingent. Blood-selling has become their "speciality." They find blood-selling brings money quick and any negative effect on their bodies in the future is after all a matter in the future. Now that they badly need the money, they cannot afford to worry about that. Proudly, he told me a secret: Last year, he sold his blood 13 times and earned nearly 500 yuan. As long as he feels his body can take it, he will carry on with this "secondary job."

In rural areas, we interviewed some households and grass-roots cadres on the issue of excessive burdens on peasants. By analyzing the concrete information they offered, we can put the specific causes for excessive burdens on peasants under the following categories.

First, the quality of village or town cadres is too low. They cannot implement the central government's broad and specific policies to the letter, and some of them still resort to deceiving their superiors and deluding their subordinates by following the tactic of "each policy from above meets a counterpolicy from below." In hilly areas, this folk rhyme is circulating: The central policy shows a clear sky; it turns a bit cloudy when it reaches the prefecture; it begins to rain when it comes to the county; and it drowns people when it falls in the town. The broad masses of peasants are supportive of the central authorities' reform and open policy. But some policies are distorted when they are relayed to the grass roots, not because state policies are not easy to implement, but because some grass-roots cadres water the policies down and turn them to their advantage.

The wooded hill of Shancha Village was contracted to peasant households in 1986. At that time, the peasants signed a contract with a relevant state department and were issued a wooded hill management certificate. The contractual terms were to remain unchanged for 20 years and the charge for the wooded hill was to be paid off within 10 years. But only a year later, the village authorities started collecting money from the peasants and demanded that the charge be paid off in the third year and the wooded hill be taken back by the village in the fourth year. In 1992, the supply of chemical fertilizers and diesel oil that the peasants had ordered was cut off, but the profit delivery quota was not reduced by one penny.

Seals, as objects of credibility, are a symbol of authority, evidence of responsibility, and sign of reputation. But in the eyes of some grass-roots cadres, seals have become a ready source of money. In a village, the peasants were indignantly talking about the "new trick of 1992" in the village; that is, the use of a seal costs 50 yuan each time. Starting 1 January 1992, there seemed to be a tacit agreement among the members of the villagers' committee that if a villager came to the committee to use a seal, he had to pay, regardless of his purpose, a stamping fee of no less than 50 yuan first, and there would be no receipt or any proof of the payment. The peasants called it another fund for the cadres' eating and drinking.

Second, some village cadres loved ease and hated work and indulged themselves in wining and dining. A peasant in the Jianye Village received a white slip as an IOU for his several thousand jin of unhusked rice. He said in tears: These village cadres are rice borers instead of servants of the people. They do not study, do not go into the realities of life, do not help peasants grow rich by running enterprises, and do not care for our sufferings. Their real work is to play mahjong, play chess, drink alcoholic liquor, and sleep. Some peasants worked out

accounts in detail for cadres: A male cadre worked less than 600 hours a year, while a woman cadre less than 100 hours. They did a little work but got much more money than peasants.

Sumptuous wining and dining became a professional characteristic of some rural cadres. In a certain village, when we looked for village cadres for information, villagers told us in one voice: Village cadres are in the "Tiancai [Talent] Restaurant." When we asked the way from local people, they told us the truth. The fact was: The cadres of the village got into the habit of eating and drinking extravagantly, but they were afraid that they would be discovered by the higher authorities and the masses. To hoodwink the public, they deposited a certain sum of money with village cadre Pan Tiancai, whom they could trust. As soon as there was an appropriate excuse, they would go to Pan's place to "hold a meeting," eating and drinking. Sometimes, they did not bother to find an excuse; they just went to Pan's place whenever they felt greedy. However, the peasants' eyes were discerning. The cadres could change their tactics, but this could only make the masses hate them more bitterly. Therefore the peasants referred to Pan's place as "Tiancai Restaurant." Local peasants also told us about the working procedure of the "Tiancai Restaurant." For example, in November, 1992, when the village cadres were to collect levies from peasant households, they made arrangements as follows: From 0800 to 1200, they would play mahjong at the "Tiancai Restaurant"; from 1200 to 1400, they would have a good meal; and from 1400 to 1630, they would collect money from the peasants. The peasants were required to contribute 8,000 yuan, but the cadres could only collect 600 yuan in three days. Many peasants went into hiding to refuse payment.

The peasants were required to make donations for building schools, which also increased their burden. As reported by Xu Changfa, a peasant in the Qiaotou Village, there were 1,500 people in his village. In 1992, the villagers committee made a decision as follows: Every villager, men and women, old and young, was required to donate 100 yuan for building a primary school. The money would be deducted by the villagers' committee from the peasants' income from selling grain and oil in the summer. According to an informed source, the amount collected from the peasants should total 150,000 yuan, since every villager was required to donate 100 yuan. If the income of over 20,000 yuan from selling the materials of the old school building was included, the total amount collected by the villagers committee would be 170,000 yuan. The new school building was estimated to cost only 125,000 yuan, so the villagers' committee actually collected 50,000 yuan more than needed. The peasants did not know where this large sum of money went. If the villagers had agreed to make donations as required by the villagers' committee, then why did the cadres not try to win the confidence of the peasants by make public the amount of money they themselves had donated? The masses were in no way unwilling to build a new school, but the cadres did not

discharge their duties reasonably, thus placing an excessive burden on the peasants' shoulders.

There were many similar cases in the countryside. In a certain village, a new school building with nine classrooms was put to use in 1992. The contracted cost of the school building plus the enclosing wall stood at 122,000 yuan, and the money collected from the peasants totalled 154,000 yuan. However, the construction team later said the villagers' committee still owed it 31,000 yuan. The peasants did not know the whereabouts of the 66,500 yuan.

Apart from the factors mentioned above which enabled rural cadres to have their own way, including wining and dining and sending gifts at public expense and taking away public property, mismanagement of financial matters by village governments and lack of a sound financial system were also to blame, because cadres could take advantage of the situation.

In another village, a bill for a reception totalling 15,302 yuan was entered into the account book in 1992. Of the total amount, 483.5 yuan was used for a reception to mark the completion of a new school, and the rest paid for cadres' wining and dining under the false pretenses of holding meetings, collecting money, and family planning. A relevant department examined at random 30 bills for receptions totalling 1,248 yuan dated from March to June 1992. Of the total amount, 101.3 yuan in three bills was used to entertain cadres from higher authorities, and the other 27 bills were for cadres eating and drinking. The nine cadres in this village spent 15,800 yuan on eating and drinking in one year.

To make up for the losses, some villages raised the levy without authorization. A certain village got into debt, domestic and foreign, to the amount of 120,000 yuan over the last few years. While making overall arrangements for delivering grain to the state as required by the town government, the village government made a rule that every household must share the debt, which, they said, must be cleared in three years. As a result, cries of discontent rose all around.

Cadres often travelled at public expense. In many villages, when there was a little increase in the public accumulation, the cadres would try to "get petty advantages at public expense." In a certain village, the party branch secretary, to send his son to a college with lower admission standards in another province, went to several provincial capitals on an inspection tour spending 2,900 yuan. When returning to the village, he applied for reimbursement in the name of investigating rural enterprises in other provinces. The son was admitted by the college which had introduced lower admission standards in another province when his father successfully wound up his trip. In another development, instead of turning deficits into surpluses, the rural enterprises in the village had their losses swell to 500,000 yuan. Some village cadres who disdained to go by rail to other places "on an inspection tour", went to various cities by plane for

sightseeing. Others even thought of going to Hong Kong and Macao "to make investigations." They had little interest in the peasants' livelihood.

Why is it that our peasants still suffer so much several decades after we triumphed in our revolution? Why cannot the party's policy toward peasants, who live under the same sun, grow up on the same yellow soil, and are led by the same party as we are, be implemented? However, only when the peasants grow rich, can the majority of the Chinese people grow rich.

Deng Xiaoping Warns: Any Problem in Economy in the 1990's Will Probably Stem From Agriculture

The issue of peasants has caused extensive concern from people in all social strata. A group of retired cadres has expressed strong discontent and anxiety over the state of rural cadres. They believe that the unhealthy tendency of township and village cadres to hold banquets, give away presents, and squander without restraint—all at public expense—is becoming increasingly serious and that the phenomenon of corruption should not develop into a social trend.

The officers and soldiers in the Army once wrote a joint letter to the relevant authorities, hoping that the party spirit, political quality, and clean governmental conduct of the rural grass-roots cadres can be reinforced and the role of grass-roots cadres be brought into full play. They held that the speed of economic development in rural areas is closely linked to grass-roots cadres in some sense. As to the abnormal phenomena in rural areas, they raised the following questions: In rural areas, who has multistory buildings and big houses? Why are the results of year-end accounting never published? Why does the annual auditing always end up with nothing definite? How many grass-roots cadres are truly leading their people to explore the ways to prosperity? Why do some people neither shit nor get off the pot, washing their hands of whatever problems arise but scrambling for every penny of benefit? The party's open-door policy allows some people to get rich first. But how many of the rich peasants have become rich under the leadership of village cadres? Why are peasants experiencing a crisis of essential food and clothing on their own land? As the "three irons" are being smashed in cities today, why is there no effort to smash the "iron armchair" of township and town cadres?

Though China has been liberated for over 40 years, the peasants are still working on scattered plots of land and are still using hoes and cattle as their basic production implements, not to mention any degree of mechanization. In some places, even if farm machines are available they cannot function because the peasants have no money to rent them. Therefore "back to the blue sky and face to the earth" is a description of the peasants who have not extricated themselves from poverty.

Take one province for example.

After reform and opening up began in 1978, the province's rural economy developed rapidly and the peasants' income generally increased. Their income index was several places below 20th in the whole country in 1980, but it rose to somewhere between the 10th and 20th place in 1986. But in 1989 and 1990, it dropped again, and the peasants' per-capita net income was 15 yuan below the national average (686.31 yuan). In contrast to this was the excessive financial burden on peasants. In 1990, the peasants' per-capita contribution to the "three retention funds and five unified funds" and the payment of tax totaled 58.4 yuan, nearly 1.1 times more than 1985, while the peasants' per-capita net income grew only 42.95 percent in this period. In 1990 the total financial burden on peasants was higher than the national average by nearly 20 yuan per capita. The figure was also higher than that in Jiangsu and Zhejiang Provinces by 15.6 yuan and 37.72 yuan respectively. The main reason is that the cost of grain farming is high and the income is low.

Comrade Deng Xiaoping once gave this warning to us: Any problem in economy in the 1990's will probably stem from agriculture; if there is a problem with agriculture which cannot be redressed for years, the overall state of economic and social development will be seriously affected.

A peasant wife in western Hunan Province wrote to her husband, who was working in another place, and said: Though we had a good harvest this year, we could only sell our grain at 18 yuan per dan (50 kg). After various expenditures are deducted, what is left is only enough to feed myself. Her husband wrote back and said: I can earn one dan of grain each day here. Go ahead and hand back the land. I can provide for you.

In Guangzhou, the massive contingents of peasant workmen from all parts of China have been swarming to the city, causing a peril of overpopulation. But the land in some villages in inland China is lying waste, and only the old, weak, sick, and disabled are at home.

Many peasants from the rural areas in central China are on active military service in other places. A soldier guarding the southern frontier of China said: I am serving in the Army away from home while my old parents are farming at home. They aim at "reaching prosperity through labor," but, to me, they are "reaching poverty through labor." Why do I say so? Not because the peasants have not done well enough, but because what they turn out is not valuable. The money they make after toiling a year is not as much as the subsidy I get as a soldier. Do you think it is enough reason for me to feel sad and distressed? Another soldier said: When we are reminded that we will have to constantly worry about how to cope with all sorts of expenses after we leave the Army and go back to farming, we feel unmotivated to learn any skills or do drills. What we talk most about these days is where we can go after demobilization to get the most lucrative jobs.

All Circles Should Pay Close Attention to the Problem and Do Their Share To Solve It

China is a large country with a large population, of whom 80 percent live in rural areas. The country has 900 million peasants, agriculture has always been the foundation of China's national economy, and problems concerning the peasants have always been a fundamental issue that must be dealt with in China's revolution, construction, and reform. The appeals made by the people of the vast rural areas and certain imbalances in the field of agriculture have already been drawn to the great attention of the central authorities, who have taken action to make readjustments through all channels.

To solve the problem of excessive burdens on the peasants, the State Council in December 1991 promulgated the "Regulations on Charges and Labor Service To Be Provided by Peasants."

In late 1992, General Secretary Jiang Zemin visited the Jiangnan plains, in spite of severe cold, to conduct a survey of problems concerning agriculture.

On New Year's Eve 1992, Premier Li Peng presided over a national television conference on agricultural work in a bid to seek a solution to the problem concerning burdens on peasants.

Authorized by the State Council, the Ministry of Agriculture set forth the principle of "seven bans" with regard to the issue concerning burdens on the peasants.

The headquarters of the People's Bank of China and the Agricultural Bank appropriated a large amount of funds to pay off all the IOU's issued to peasants before the Spring Festival.

Last January, branches of the Agricultural Bank and credit cooperatives throughout the country released 15 billion yuan of loans in support of agriculture, an increase of 4 billion yuan over the same period last year.

By mid January 1993, 17 provinces had worked out measures to lighten the burdens on peasants.

In order to lighten the burdens on peasants, it is most important to find a way to help the peasants eliminate poverty and become rich, to guide the Chinese peasants who make up the largest sector of the Chinese population in casting off the trammels of natural economy, and invigorate the rural economy through the application of science and technology.

In 1993, China's agricultural production and rural economy have entered a new stage of in-depth reform and comprehensive development. As far as the development of productive forces is concerned, the country is transiting from conventional agriculture to high-yield, high-quality, and high-efficiency agriculture, and from unitary farming to the combination of processing industries and secondary and tertiary industries. Regarding the management system and operational mechanism, the country is advancing from the highly centralized planned

administration system toward the goal of socialist market economy as set by the 14th national party congress, and is switching over on a large scale from the "contract" system, which succeeded in vitalizing rural areas in the past, to the "laissez-faire" [fang 2397] pattern with greater vigor. Important tasks that must be undertaken this year regarding rural work are to give full play to the initiative of the vast number of peasants in production, to comprehensively implement the policies toward rural areas, and to make necessary readjustments and revise some policies in accordance with the changed circumstances. The rural production structure must be further readjusted so that it will be more conducive to agricultural development. We are gratified to see that agriculture is picking up again in the wake of the introduction of agricultural development plans in various localities.

Although agriculture plays an essential role in the operation of the national economy, as a "weak sector" with relatively low economic returns within the framework of the market economy, it is in an unfavorable position in the market competition. In the current transition to the socialist market economy, the establishment of the socialist market economy will be impossible without the marketization of the rural economy. Therefore, if this process is to continue, nothing will be more significant than letting the peasant march into the market and become real commodity producers and traders.

Paper Reports 'Massive Explosion' in Tibet

HK1806090893 Hong Kong AFP in English 0839 GMT
18 June 93

[Text] Beijing, June 18 (AFP)—A massive explosion rocked the Tibetan capital Lhasa on June 5, killing three people and injuring 11 others, the official TIBET DAILY said in a report seen here Friday.

The blast was caused by 70 kilograms (155 pounds) of explosives that had been placed in a quarry workers' housing unit just outside an army chicken farm in a western Lhasa suburb, the newspaper said in its June 8 edition. It set off a raging fire that "soared into the sky," the daily reported. Police and fire engines rushed to the scene, with Lhasa Public Security Bureau chief Wang Huaisheng directing rescue efforts.

The incident occurred one day after the fourth anniversary of the 1989 Tiananmen Square crackdown and just days after the worst anti-Chinese riots in Lhasa since 1989. The newspaper made no suggestion of any political motive behind the explosion, but other local news organizations said Friday they were told not to report the incident. A city government spokesman declined to comment when reached by telephone.

The Tibet Daily said initial investigations revealed that the volatile explosives were sold to the quarry workers in April by a labor contractor from coastal Fujian Province.

The contractor's whereabouts were not known. The Lhasa authorities set up a investigation team to handle the case, it said.

Official: Tibetans 'Enjoy Full Human Rights'

HK1706143193 Beijing ZHONGGUO XINWEN SHE
in Chinese 1055 GMT 17 Jun 93

[By correspondent Yang Guangzong (2799 0342 1350): "Gying Puncog Cedain, Vice Chairman of Tibet Autonomous Regional People's Government, Says Tibetan People Are Best Qualified To Speak on Human Rights"]

[Text] Lhasa, 17 Jun (ZHONGGUO XINWEN SHE)—Gying Puncog Cedain, vice chairman of the Tibet Autonomous Regional People's Government, said in an interview yesterday: Since Tibet was peacefully liberated more than 40 years ago, social progress, economic development, and continual improvement of the people's living standards are the concrete manifestations of the fact that the Tibetan people fully enjoy human rights. The people of various nationalities in Tibet, who have themselves experienced the changes of the region, are best qualified to speak on human rights.

Gying Puncog Cedain said: After Tibet was peacefully liberated, the 1 million emancipated serfs became masters and a large number of Tibetan cadres gradually matured and became main operators of the administration of regional affairs in Tibet. Today, cadres of non-Han nationalities in the autonomous region make up 69.3 percent of all cadres; leading cadres at and above the level of prefecture (or city) make up more than 70 percent. They are exercising their powers effectively as commoners turned masters.

He said: Over the past 42 years, apart from enjoying the equal rights that all nationalities are entitled to according to the country's Constitution, the Tibet Autonomous Region has been enjoying the rights of autonomy as an ethnic minority region, which include: The right to enforce state laws and policies flexibly in light of Tibet's actual conditions; the right to formulate local laws and regulations according to law and in light of the region's ethnic, historical, and cultural characteristics; the right to use and develop the language of each nationality by the people of the nationality, and the right to preserve the customs and habits of the nationality and uphold freedom of religious belief; and so on.

Gying Puncog Cedain continued: Because people of all nationalities in Tibet enjoy full human rights, the social productive forces of Tibet have been emancipated and people of all nationalities have been engaging in the region's construction projects with exalted enthusiasm. During the five years between 1988 and 1992 alone, Tibet's gross regional product reached 12.979 billion yuan and the living standards of urban and rural people were significantly improved. "Households with 10,000 yuan" and "households with 100,000 yuan" are no longer rarities in Tibet.

Tibet Law Official Urges Citizens To Obey Law

OW1706105293 Lhasa Tibet Television Network in
Mandarin 1200 GMT 16 Jun 93

[Speech by Zhaxi Luobu, deputy chief procurator of Tibet Autonomous Region, entitled: "Citizens Must Abide by the Law When Exercising Their Rights and Freedom; from the "Tibet News" program—live or recorded]

[Excerpts] [Zhaxi Luobu] The amended Constitution of the People's Republic of China was adopted, promulgated, and came into force on 29 March 1993. Article 35 of the amended Constitution of the People's Republic of China stipulates that the citizens of the People's Republic of China enjoy the freedom of speech, the press, assembly, association, procession, and demonstration. [passage omitted] The law governing processions and demonstrations in the People's Republic of China and the way the autonomous region and Lhasa city implements the law are positive measures to safeguard citizens in the realization of their rights to democracy and freedom. [passage omitted] Article 33 stipulates that all citizens enjoy the rights stipulated by the Constitution and laws. At the same, however, they must fulfil the obligations stipulated by the Constitution and laws. Article 51 also stipulates that when citizens of the People's Republic of China exercise their rights and freedom, they must not harm the interests of the state, society, or collective, or the interests of other citizens. The law governing processions and demonstrations and other relevant regulations also stipulate that processions and demonstrations must be approved by competent departments. Processions and demonstrations without approval are illegal. [passage omitted] In actual life, some people tend to take a one-sided view of the rights and freedom given by the Constitution and they tend to separate the rights from the obligations. They erroneously hold that democracy and freedom mean they can do anything they please. [passage omitted] If they are left alone, they will become lawless. [passage omitted] They will directly endanger the legitimate, democratic rights and other rights of the majority of people. They will endanger the stable economic situation and social order and hamper reform, opening, and the establishment of a socialist market economy. [passage omitted] The state protects citizens in the exercise of their rights and freedom. However, when they exercise their rights and freedom they must not harm the rights and interests of the state, society, or the rights and interests of other citizens; and they must abide by the law. Remarks and acts that deviate from those permitted by law will be restrained and the law will deal with those who make such devious remarks and acts.

State Provides Tibet 'Enriched Cultural Life'

HK1706122593 Beijing ZHONGGUO XINWEN SHE
in English 0920 GMT 17 Jun 93

[Text] Lhasa, June 17 (CNS)—There has been growing richness in the cultural life of Tibet's people both in terms of their national heritage and of contemporary life.

The state and the Tibet Autonomous Region's government have gone to much effort in providing the people of the region, especially the ethnic Tibetans, with an enriched cultural life and in the past 42 years have spent over 393.22 million renminbi on cultural causes. Seven modern and multi-functional arts centres have been set up in the region while a number of libraries and other cultural centres have been established here.

There are now 25 professional and amateur art groups and over 1,200 professional performing artists. In recent years, a range of modern cultural recreational activities, including song and dance halls and karaoke and music bars, have opened in the townships and animal herding areas.

Commentaries on Deepening Reform Continue

Part Two

HK1806045093 Beijing RENMIN RIBAO in Chinese
28 May 93 pp 1, 2

[By staff reporter Lu Mu (7627 3668): "Optimize Organizational Structure of Enterprises—Second of a Series of Commentaries on Deepening Reform"; first paragraph is RENMIN RIBAO editor's note; Part One in the series was published in the Political & Social section of the 3 June China DAILY REPORT, pages 17-20]

[Text] The objective of China's economic structural reform set out by the 14th CPC National Congress is to establish a socialist market economic structure. In our efforts to establish initially a new economic structure in the 1990's, the next five years will be crucial. Since the beginning of this year, various localities and departments have conscientiously implemented the spirit of the 14th National Congress and the First Session of the Eighth National People's Congress, centering on the link of changing the way large and medium state-owned enterprises operate, universally intensified and accelerated comprehensive and coordinated reforms, such as actively developing all types of markets, firmly carrying out price reform, further reforming the labor and personnel systems, and vigorously carrying out reforms in the social security system and urban housing systems. This is a great pioneering undertaking. Various localities have accumulated valuable experiences in these aspects. In the days to come, it will still be necessary to uphold the principle of emancipating the mind and seeking truth from facts, being bold in practice, and conducting active explorations. To deepen reform in various fields of endeavor and in coordination with the explorations conducted by various localities, this newspaper is successively publishing "A Series of Commentaries on Deepening Reform." The first commentary entitled "Putting Forward the Most Substantial Step" was published on 21 May.

I.

One of the important parts of enterprise reform is to readjust and optimize the organizational structure of enterprises.

Some experts have pointed out that the organizational structure of enterprises is both the external embodiment of the economic structure and the enterprise structure and the juncture of economic development and deepened reform. Why is it so? This is because economic development is bound to call for the readjustment of the industrial structure, and the readjustment of the industrial structure will surely be implemented or embodied in the readjustment of the organizational structure of enterprises or will require that our enterprise structure is conducive to such readjustment. In implementing the "Regulations" [on changing enterprise mechanisms] and transforming enterprise operational mechanisms, enterprises are required to have independent management, assume full responsibility for profits and losses, develop and retrain themselves, and survive in the course of competition. As some people say, some enterprises cannot be invigorated because enterprises that ought to "go out of business" did not do so. Enterprise invigoration and "going out of business" are related to the organizational structure of enterprises.

In recent years China has made considerable advances in this aspect of enterprise reform. Different forms of enterprise mergers are becoming increasingly diversified. So far, more than 10,000 enterprises have been merged. From January to October last year, people's courts at all levels handled 346 enterprise bankruptcy cases, of which 104 were cases involving state-owned enterprises. Of the 146 cases judged, 45 state-owned enterprises were declared bankrupt. The rise of enterprise groups is a newly noticeable phenomenon in the course of readjusting the organizational structure of enterprises. Very great advances have been made in the standard formation and transformation of 55 state-level large enterprise groups combining industry, science, trade, and finance, and considerable progress also has been made in readjusting the management structure and operational mechanisms of about 1,600 ordinary enterprise groups.

II.

Nevertheless, it must also be noted that the work of readjusting and optimizing the organizational structure of enterprises is a considerably arduous task. It still restrains seriously the readjustment of China's industrial structure. There are questions of both understanding and practical operation in this regard.

There are two separate materials on this reporter's desk.

In north China there is a trade-administered general company, which had planned to reorganize itself into an enterprise group. As it did not have a core enterprise, it intended to invite a big economically sound and efficient factory with an employment body of 10,000 people to become its core unit, but the latter firmly turned down the invitation. Thus, both parties were not happy with each other, because the energies of many people on both sides had been devoted to the merger issue.

In northeast China there is an iron and steel complex, which merged with a small factory several years ago. Thanks to the complex's support and the factory's own efforts, the small factory operated well for a short period of several years. Not long ago, the small factory claimed that it had been merged against its will and even issued a "declaration of independence" appealing for a break with the complex. Thus, it became a dispute consuming much effort.

Although the two cases took place in different places and trades, they involve the issue of enterprises' organizational structure. Moreover, they have all emerged in the course of the transformation from a unified planned economic structure to a socialist market economic structure. In the course of the transition from the old structure to a new structure, more often than not, the two structures are still playing their own roles. As relations between ownership and management are not harmonized, it is impossible to form an enterprise group without the participation of government. However, if it is not handled properly the participation of government could possibly become excessive. As the owner of the assets, the government naturally has the right to dispose of enterprises' assets. However, how these disposal rights are exercised in line with the norms of the market economy is a problem that cannot be solved completely overnight. This being the case, in readjusting the organizational structure of enterprises, we must take this complicated situation into account, proceed from realities, and make a concrete analysis of concrete issues.

III.

On the issue of how to handle problems cropping up in the course of readjusting the organizational structure of enterprises, industry specialists maintain that attention should be paid to the following three things:

First, it is necessary to give consideration to both the rate of return and the enthusiasm of enterprises, with particular stress on not dampening the enthusiasm of enterprises. Without a doubt, the objective of forming enterprise groups is to optimize the distribution of resources, bring the superiority of the groups as a whole into play, and improve rates of return. However, to turn this objective into a reality, there must be internal technological and economic relations among integrated enterprises, and the formation of such enterprises must be conducted on a voluntary basis. Without these two conditions forming an enterprise group by merging several enterprises by administrative fiat does not accord with the requirements of the development of the productive forces, and, moreover, this will dampen the enthusiasm of the enterprises concerned. It will certainly have bad consequences. If the formation of an enterprise group has more advantages than disadvantages and is conducive to the development of productive forces, and some of the enterprises involved have failed to look at the bright side of things for a moment, we must be good at persuading them and should place particular stress on solving problems by economic means. Some enterprise groups set up earlier and operating well have had some successful experiences in this regard.

Second, it is necessary to use both economic means and appropriate administrative fiat together, with particular stress on the former. At present, when the relations between ownership and management are not quite clear, it is difficult not to use administrative fiat at all in readjusting the organizational structure of enterprises. Even if the relations are clear in the future, as the owner of state-owned enterprises, the state will take up the readjustment of enterprises through appropriate ways and means. However, what is important is that the practice must accord with economic laws and the requirements of the development of the market economy and must be carried out mainly by using economic means. Whether or not administrative fiat can be used appropriately depends mainly on whether or not government departments approach enterprises as appendices or independent economic entities. This is where the phenomena of "nameplate changing companies" and "match-maker" groups were wrong. This is also where the trouble lies with government departments as cited in the first example above.

Third, readjustment of the organizational structure of enterprises is carried out through different ways and means. Enterprise mergers or amalgamations and the formation of enterprise groups are different things which should not be confused. Experts hold that the former belongs to a shift of assets and reorganization. The legal person status of an enterprise which has been merged or amalgamated is abolished. Under these circumstances, the problem of being voluntary or not does not exist. In the course of forming an enterprise group, although there are asset links between core and closely associated enterprises and they hold each other's shares, the independent legal person status of each enterprise remains unchanged. In the second example we have mentioned above, because the small factory failed to distinguish enterprise mergers or amalgamations from the formation of enterprise groups, it was groundless for it to quit as it wished. Moreover, proven documents show that the small factory submitted an application to the complex to become part of the latter in November 1988.

Of course, there are many possible complications in real life. It is impossible for me to cite them here one by one. Nevertheless, as long as we adhere to basic principles, we will probably find the correct solutions to these problems.

Part Three

HK1806045693 Beijing RENMIN RIBAO in Chinese
31 May 93 pp 1, 2

[By staff reporter Mo Xinyuan (5459 2450 0337): "Steadily Carry Forward Reform of Enterprises' Three Systems—Third of a Series of Commentaries on Deepening Reform"]

[Text] At this time last year, "breaking the three irons" was a "favorite" topic in society. "Breaking the three irons" was the popular expression vividly describing reform of the three enterprise systems. Subsequently, provocative slogans such as "crushing the three irons with three irons" appeared, which hurt some staff members' and workers' feelings and

dampened reform and propaganda on this type of reform. In the course of implementing the "Regulations" people shifted their attention to the transformation of enterprise operational mechanisms and showed less concern for the reform of the three systems.

Now, we must further understand the necessity of reforming the three systems, because this reform is actually proceeding regardless of the development trend; whether we are willing or not, we cannot skirt around or evade the problems this reform deals with or the contradictions it will encounter.

Progress Has Been Beyond Expectations

If we say "crushing the three irons" is too provocative, then the content carried in internal enterprise system is an important component of overall economic structural reform. For a long time, the "iron rice bowl" and the practice of "everybody eating from the same big pot," which both emerged under the unified planned economic structure, have seriously hampered the initiative of enterprises and their staff members and workers. The "irons" in the "iron armchair [guaranteed tenure]," the "iron rice bowl," and "iron wages" do not mean "guarantees" but refer to a rigid system that "cadres can only be promoted and not demoted, staff members and workers cannot leave enterprises after being employed, and wages can only increase and not decrease." To invigorate enterprises, will it do not to reform this practice?

According to the relevant statistics from 23 provinces, municipalities, and autonomous regions throughout the country, by the end of 1992, those enterprises carrying out labor system reform amounted to 39,000, involving 17.31 million staff members and workers, which accounts for 17.3 percent of the total number. In the course of this reform, 940,000 redundant personnel were removed, 5.47 percent of those staff and workers involved in the reform. Proper work arrangements have been made for 840,000 of those removed.

Distribution system reform has enabled the principle of distribution according to work to be felt better. On the basis of reforming planned wages, fixed wages, structural wages, and retention wages some years ago, some enterprises made new breakthroughs last year, some of which produced good results, such as the implementation of the position wage system and the position and function wage system. According to relevant statistics from 21 provinces and eight departments, by the end of last year, 579 enterprises with 1.58 million staff members and workers had already implemented these two systems on a trial basis. Distribution system reform has gradually integrated itself with labor system reform and the improvement of the economic responsibility system, thus making it possible for the distribution lever to display its positive role in newly established operational mechanisms.

Different degrees of progress have also been made in reforming the old-age insurance, job-awaiting insurance, accident insurance, and medical insurance systems over the past year. In old-age insurance, basically, city and

county-level state-owned enterprises throughout the country have made overall arrangements for their staff members' and workers' premiums, and 10 provinces and municipalities, including Beijing, Tianjin, Shanghai, Fujian, and Shanxi, have introduced overall provincial-level arrangements, with 82 percent of staff members and workers participating. The scope of job-awaiting insurance has widened, enabling removed personnel resulting from the closing and suspension of enterprises to enjoy job-awaiting insurance.

The achievements made in reforming the three systems have unquestionably laid a good foundation for deeper reform in enterprises.

Converging With the Transformation of Operational Mechanisms

Now, when we are implementing the "Regulations" and transforming enterprise operational mechanisms, do we still need to persist in reforming the three systems?

The answer is affirmative. The reform of the three systems is closely linked to the transformation of enterprise operational mechanisms. The central issue to be resolved is that enterprises must stop "eating from the big pot" of the state, whereas the central issue in reforming the three internal systems is that staff members and workers must stop "eating from the big pot." In reforming the three systems, we must combine enterprise survival and development with the personal interests of their staff members and workers. In this way we will be able to ignite latent initiative. In this sense, reform of the three systems serves as an important support for the transformation of operational mechanisms. If achievements in the transformation of operational mechanisms are not used in reform of the management system it will be difficult to consolidate these achievements. Therefore, if internal system reform with the focus on the three systems reform is not completed it will be impossible for enterprises to finally bring about the transformation of their operational mechanisms.

The implementation of the "Regulations" will provide favorable conditions and good opportunities for reform of the three systems. After product price fixing and sales rights were ensured in the Pingxiang Steel Factory, the initiative of the factory's staff and workers was boosted greatly. Taking advantage of this favorable opportunity, the factory's leaders promptly introduced three systems reform, which enabled the factory to scale new heights in operations and management and end many years of losses. This typical example fully suggests that the introduction of three systems reform and the implementation of the "Regulations" promote each other. We should firmly seize the present favorable opportunity to carry forward reform of the three systems unrelentingly.

Relying on Staff and Workers' Understanding and Support

Reform of the three systems is comparatively difficult and the obstacles to this reform are comparatively big.

One reason is that there are misunderstandings among some people, who think that this reform is targeted at staff members and workers.

Any kind of reform will inevitably encounter some misunderstandings after being carried out. The main thing is how to give correct guidance. Reform requires the participation of staff members and workers. This involves not only work methods but also a correct understanding of reform. Mobilizing the initiative of staff members and workers is the purpose of reform, whereas the degree of initiative is the ultimate criterion for judging whether reforms are successful or not.

The old structure characterized by the "three irons" has suppressed the initiative of staff members and workers. Therefore as long as our methods are correct and appropriate, they will take an active part in this reform.

In the past year some localities and enterprises have gained some successful experience in reforming the three systems, because they have understood and paid attention to this point.

1. They have done well in experiments. They have implemented reform measures on a trial basis, which can help make major breakthroughs in the existing structure and policies; they do not seek excessiveness but "successful rates" to achieve the expected exemplary results.

2. In the course of reform, they have adopted the method of the "four firsts and four thens." 1) They first make preparations before implementation: They first solicit the opinions of staff members and workers and then implement the measures after ratification by workers' congresses to prevent a small number of people from dominating the debate. 2) First cadres, and then workers. Cadres are required to fulfill requirements first before workers are required to do so. 3) A ditch is dug first, and then water is allowed to pass through. The position, conditions for competition, responsibility after assuming a post, and ways for stepping down from posts should be designed properly first, and then these can be implemented after being announced to staff members and workers. 4) First the factory itself, and then society. Redundant personnel should be "mainly absorbed by enterprises, with regulation by society as a supplement."

3. They have opened up employment avenues, run tertiary industries, and made appropriate arrangements for redundant personnel. Tax reduction and exemption policies stipulated by the "Regulations" for building tertiary industries and many preferential policies practiced by localities have made it possible for the emergence of tertiary industries to become one of the most important channels for relocating redundant personnel. In the past year, the development of reform and opening up and changes in reform and opening up have brought about changes in people's concepts and has improved their ability to withstand reform.

Regulations To Protect Marine Resources

HK1806030893 Beijing CHINA DAILY in English 18 Jun 93 p 1

[By staff reporter Wang Rong: "State Acts To Protect its Marine Resources"]

[Text] The Chinese Government is to step up its regulations to beat "ruleless and reckless" exploitation of the country's coastal waters.

The move is a further bid to protect the marine environment and boost State revenue.

And specific measures will be mapped out at a national conference next month, said the State Oceanic Administration (SOA).

The new system will require operators to apply and pay for a licence to exploit China's 3 million square kilometres of offshore waters.

The plan was outlined at the end of last month by the SOA and the Ministry of Finance.

Now concrete measures to enforce the regulations will be at the top of next month's agenda, said Ye Renmiao, deputy director of the Department of Oceanic Administration and Marine Monitoring under the SOA.

The provisional regulations followed the State Council's decision in May 1992 to set up a paid-use system for maritime space, including tide-land, offshore waters and the seabed.

They make it compulsory for any commercial work taking more than three-months in Chinese maritime space to get a licence from local governments.

They also spell out how the paid-use system works.

Ye said the new rules marked the advent of a unified administrative mechanism, which "ensures rational and planned exploration of maritime resources, maximizes the outcome and preserves resources and the environment."

But "licences and charges are not the focal point," he added.

The rules were a sort of protection-and-duty contract between the owner and the users of State-owned maritime space, he said.

The economic boom, which occurred first in the coastal areas, has brought increasing problems which are not covered by existing laws and rules.

But the new catch-all regulations are meant to be observed by Chinese and foreign governments, firms, organizations and individuals involved in any kind of maritime development programme.

Provincial maritime administrations are only empowered to examine applications and give licences to projects covering less than 10,000 mu (666.7 hectares).

The lowest rate is 100 yuan (\$17) per mu (0.06 hectares). Local governments should fix their own range of charges.

Public-interest projects such as navigation marking and monitoring facilities would be free of charge and the new rules would favour aquatic farming industries.

The 11 coastal provinces and municipalities are now drawing implementation rules to translate the regulations into actions, said Ye.

Anyone currently using the maritime space will have to register, apply for a licence and pay when the regulations go to effect later this year, he said.

Household Registers To Be Retained Indefinitely

HK1706152093 Beijing ZHONGGUO XINWEN SHE
in English 1425 GMT 17 Jun 93

[Text] Beijing, June 17 (CNS)—China will not do away with household registers in the foreseeable future, according to an official from the Ministry of Public Security.

Speaking in an interview with this agency, the official said that the registration of households and of the total population is an important part of the administration's work. China, he said, could not do away with this practice at this time. Instead, it should further perfect the registration of the population so as to guarantee further reform and opening and to safeguard the public's legitimate rights and interests.

China introduced identity cards in 1984, and this has been seen as a major reform of the administration of the household register system and such cards and household registers run in parallel enabling the department concerned to keep up to date on population trends.

There is no official identity certificate for those under 16 years of age and the household register is considered an important source of information for household checks.

With the ongoing economic development, a massive flow of surplus workers coming from the rural to the urban areas and the establishment of a socialist market economy system, the administration of a population register has to deal with many new problems, and a restructuring of the existing administration is necessary. Such reform is now underway with the aim of serving opening to the outside world and economic development. It also aims at protecting the legitimate rights and interests of the public and at providing convenience for government organs to handle their work and keep public order. Policies on removal [as received] and the administrative system should be restructured in order to strictly control populations in main cities and to exploit small- and medium- sized cities and towns below the levels of counties and cities.

China is now using modern methods to administer household registers with the introduction of computers in many provinces and cities.

Li Ruihuan Visits China Art Gallery

OW1706162493 Beijing XINHUA in English 1539
GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—Li Ruihuan, member of the Political Bureau Standing Committee of the Chinese Communist Party Central Committee, paid a visit today to the China Art Gallery, which is now holding a special exhibition to celebrate its 30th anniversary.

Li, also chairman of the National Committee of the Chinese People's Political Consultative Conference, talked with staff at the art gallery, congratulating them on the anniversary and speaking highly of the role the gallery has played over the past 30 years to promote the country's art works.

Accompanied by Minister Li Zhongde and Deputy Minister Gao Zhanxiang of the Ministry of Culture, Li was showed around the exhibition, in which over 10,000 paintings and more than 40,000 folk art works are displayed.

The China Art Gallery, which is located in Beijing, was built in 1962 and officially opened in 1963. Then top Chinese leader Mao Zedong inscribed the name for the building.

Recently, Chinese leaders Jiang Zemin, Li Peng and Qiao Shi wrote inscriptions for the gallery.

Military

Military Reorganization 'Completed Recently'

HK1606091793 Hong Kong MING PAO in Chinese 16
Jun 93 p 8

[Report by special correspondent Hsia Hsiao-tan (1115 2556 0030): "People's Armed Police Force Is Placed Again Under Command of Central Military Commission, and the Force Is Facing High-Level Leadership Changes"]

[Text] Jiang Zemin, general secretary of the CPC Central Committee and chairman of the Central Military Commission [CMC], recently announced at an enlarged CMC meeting that the armed police force would be again put under the command of the general departments of the People's Liberation Army [PLA]. On the other hand, the transfers of PLA officers at the army and division levels have been completed recently. With the exception of the armed police force, the scope of "blood change" was smaller than was originally planned. Recently, Jiang Zemin and senior military officers visited an internal exhibition of newly developed weaponry and equipment of the PLA. Reportedly, there was strong demand for updating equipment inside the Army, and the Navy most strongly demanded this.

According to military sources in China, before the ceremony of conferring the rank of general on some senior officers, the CMC held an enlarged meeting to brief meeting participants about the domestic economic and political situation and personnel changes in the Army. Jiang Zemin attended the meeting and announced on

behalf of the CMC that the armed police force would officially come under the command of the three general departments of the PLA.

The sources also said that after the 4 June incident in 1989, Yang Baibing, then CMC secretary general and director of the PLA General Political Department, sought a major "blood change" in the armed police force. Jiang Zemin was discontent with such action. It was said that at a CMC meeting, Jiang told Yang Baibing that the armed police force was not under the command of the PLA general departments but was commanded by Qiao Shi, member of the Political Bureau Standing Committee. Thus, the armed police force became the second armed force independent from the PLA in China.

In the personnel changes, a higher proportion of senior officers in the armed police force was involved in post transfers than in the Army. Ba Zhongyan, former commander of the Shanghai Garrison Command, was appointed personally by Jiang Zemin as commander of the armed police force after retirement. Other leaders, from the director of the Logistics Department to major officers of the Security Department, were all changed. Through this round of personnel changes, Jiang Zemin said that the armed police force, apart from being led by the State Council and the CMC, will also be put under the command of the three PLA general departments.

Transfers of officers at army and division levels, begun after the end of this year's National People's Congress, have recently been completed, but the scope of the adjustment was about one-third smaller than originally planned. The basic criterion for determining the transfers was the officers' relations with Yang Baibing. Those who were several years younger than the retirement age at the army and division levels were also required to retire if they were found dealing with Yang. Those who could not retire from active service were transferred to remote areas, such as the Chengdu and Lanzhou Military Regions. Purges were carried out on the largest scale in the Beijing Military Region. Many army-level and division-level officers of the 38th Army were transferred to the Qinghai Military District under the Lanzhou Military Region. The current commander of the Qinghai Military District is former commander of the 38th Army. So some people in the military said that the Qinghai Military District is a "banishment district." A division deputy political commissar was forced to retire from active military service because he was commended by Yang Baibing at a meeting.

According to sources, the recent enlarged CMC meeting mainly studied the financial issue of the Army under the current economic situation. Many lower-level officers are discontented with the fact that normal military training was affected by the Army's drive to engage in commercial activities. However, more people in the military expressed worry about the widening gap between the income of civilians and the income of the military personnel. After prices increased, the income of military officers declined in real terms.

Reportedly, the CMC meeting also discussed the strategic orientation and defense key points of the Army, and stressed the need to pay attention to the military tendencies of Japan, the ROK, and Taiwan, and also to domestic trends. The Chengdu, Lanzhou, Guangzhou, and Beijing Military Regions were required to set up fast-reaction forces of division-scale in order to cope with eventualities.

On the other hand, Jiang Zemin recently visited an exhibition of the latest equipment and weaponry developed by the PLA on its own in a Beijing suburban area in the company of some senior military officers. Some exhibits came from Russia and former USSR republics. Chinese authorities were interested in the Soviet-made armed helicopters. It was said that Jiang Zemin called for striving for victory in a high technology war when he visited the exhibition. At present, the Navy is strongly demanding the modernization of its equipment. Some naval officers and sailors even complained that the upper authorities only cared about internal affairs and not about external threats because they could not get satisfactory equipment.

Circular Urges Double Support Work Campaign

*OW1706014793 Beijing Central Television Program
One Network in Mandarin 1100 GMT 7 Jun 93*

[From the "National News Hookup" program]

[Text] The general offices of the CPC Central Committee, the State Council, and the Central Military Commission recently issued a circular that asks, under the new situation of establishing a socialist market economic system, that the nation's soldiers and people launch a nationwide and sustained double support [support the government and cherish the people and support the Army and give preferential treatment to the families of Army personnel] campaign to consolidate and develop the excellent situation in which the Army and people of our country cleave to each other through thick and thin.

Hainan Chief on Establishing Reserve Division

*HK1506131593 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 9 Jun 93*

[Excerpts] A meeting on the preparation of a reserve infantry division under the Hainan Provincial Ground Force opened in [words indistinct] of the Hainan Provincial Military District on 9 June morning.

Ruan Chongwu, secretary of the provincial party committee, governor, and first secretary of the Hainan Provincial Military District party committee, attended and addressed the meeting in the afternoon. [passage omitted]

In accordance with the decision of the CPC Central Military Committee on the establishment of a reserve infantry division under the Hainan Provincial Ground Force, the 1993 work plan of the PLA Department of General Staff and the Guangzhou Military Region, as

well as instructions issued by the provincial party committee and government, Hainan Province is expected to complete preparation for establishment of a reserve infantry division before the end of coming October. This meeting was aimed at studying issues concerning preparations for the reserve division. [passage omitted]

Comrade Ruan Chongwu delivered a speech at the meeting. He pointed out: The establishment of the reserve division is a major event of great strategic significance, as well as an important step for us to take in order to strengthen our national defense reserve force. [passage omitted]

He stressed: We need to reinforce leadership in the course of establishing the reserve force, fulfill the task with high quality and high standards, and make use of all instruments of propaganda to mobilize people. It is necessary to make a success in [words indistinct] and guarantee quality. We will encounter various difficulties during the course of establishing the reserve division; therefore, relevant local departments should take the initiative to work in close coordination with the Army and help the Army solve practical problems concerning the establishment of the reserve force.

Economic & Agricultural

Bureau Reports on Economic Growth in May

OW1706140493 Beijing XINHUA in English 1336
GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—Data from the State Statistics Bureau show that China's national economy kept developing at a sustained high speed in May, with production, construction, selling and consumption all registering high growth.

The statistics show that industrial production kept developing at a high speed in May and economic efficiency was improved. Industrial output increased by 27.3 percent over the same month last year, a record high since 1978.

In the first five months this year, industrial output has increased 23.8 percent over the same period last year. Since last July, the increase rate has been kept at over 20 percent 10 months in succession.

In May, state-owned units finished an investment of 52.8 billion yuan, 70.1 percent over the same month last year, and the investment from January to May is 150 billion yuan, increasing 69.3 percent.

The service sector, especially transportation and the postal and telecommunications industry, has been strengthened, but the proportion of investment on energy and raw materials has declined.

The report says that China sold 109.4 billion yuan of retail goods in May, 27.3 percent over the same month last year. From January to May, the total retail sales

volume reached 525.5 billion yuan, increasing 20.2 percent over the same period last year.

The report says that the import has been increasing at a high speed while the increase in exports has slowed down.

According to statistics from customs, in May the total export volume was 7.2 billion U.S. dollars, 9.2 percent over the same period last year. The import volume was 8.5 billion U.S. dollars, increasing 33.9 percent over the same period last year.

From January to May, the total export volume was 30.2 billion U.S. dollars, up 8.2 percent from the same period last year, while the import volume was 33.3 billion U.S. dollars, up 26.9 percent.

The residents' income also registered a sustained increase. From January to May, wages and other expenditures for individuals increased 36.4 percent over the same period last year. The rural and urban residents' deposits reached 1,245.7 billion yuan by the end of May, increasing 91.2 billion yuan over the same period last year.

The Statistics Bureau said in its report that with the soaring development of the economy, some contradictions and problems have become more outstanding. Transportation, electricity and some other bottle-neck industries that hamper economic development have been intensified, investment on fixed assets has increased too fast, price hikes were relatively high and excessive money was issued.

State To Introduce New Industrial Policies

HK1606123193 Hong Kong CHING CHI TAO PAO in Chinese No 20, 24 May 93 p 25

[From "China Economic News" column: "State Planning Commission to Introduce New Industrial Policies"]

[Text] The State Planning Commission is to introduce new industrial policies. The guidelines of the new industrial policies are as follows.

1. The policies will give expression to the spirit of accelerating reform. While concentrating on giving free rein to the basic role of market forces in allocating resources, the industrial policies will regulate, guide, and intervene in the market as necessary to eliminate its weaknesses and negative factors.

2. The objective and essentials of the industrial policies will be defined in line with the tendency of future change in the pattern of demand and supply with respect to consumption, export, and investment so that the industrial policies will take future development into account and provide guidance.

3. While suiting the needs of opening wider to the outside world, the industrial policies should regulate and optimize the domestic structure of production so that China will be able to further participate in the international division of work.

4. We should make both incremental and stock adjustments. Economic growth should find expression in the extensive economy going over to an intensive economy. We should give top priority to improving economic efficiency, expanding the economic scope, and improving industrial skills.

5. In strictly carrying out the state's industrial policies, we should take actual conditions in different areas into account. While the state will encourage all areas throughout the country to develop some industries, it will only encourage certain areas to develop other industries.

Official Lists 'Major Points' in Price Reform

HK1606123093 Hong Kong CHING CHI TAO PAO in Chinese No 20, 24 May 93 pp 24, 25

[From "China Economic News" column: "Three Major Points of Current Price Reform"]

[Text] Luo Zhiling, director of the State Administration of Commodity Prices, said that there are now three major points in the price reform:

First, the prices of major energy products will be adjusted, and this will bring along the reform of the prices of production materials. The key will lie in the prices of crude oil, coal, electricity, and transportation.

Second, the prices of agricultural products, mainly the purchase and sale prices of grain, will be adjusted. While the prices of grain and cooking oil are decontrolled, protective prices for grain will be maintained, and some farm produce will be purchased at a price slightly higher than the market price.

Third, reform will be carried out with regard to prices of daily life service, such as medical service and education, and especially housing. Rents of housing will be fixed by owners of the houses. The government will only provide housing for civil servants, and housing prices in other fields will be subject to the market force.

Official Says Repayment of State Bonds Ensured

OW1706143893 Beijing XINHUA in English 1422 GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—A senior official in charge of the domestic debt said here today that the sluggish sale of 1993 state treasury bonds will not affect the repayment of bonds maturing this year.

"The state will ensure the repayment of the principal and interest of the bonds to investors according to plan," said Gao Jian, deputy director of the State Debt Administration under the Ministry of Finance.

A total of 16 billion yuan is needed to honor the mature bonds held by individual investors. The repayment will start from July 1 and end on September 30, and the allocation of the cash needed for the repayment is "basically completed", according to Gao.

The central government also has money withdrawn specially from the State Treasury on hand, in case some localities meet difficulties in paying the investors in cash during the peak redemption time from July 1 to July 20, Gao said.

To promote the sales of 1993 state bonds, the state will encourage investors to buy the newly-issued bonds directly with their mature bonds.

"But no forced exchanges are allowed," said Gao, adding the exchange started on June 15.

China is to issue 30 billion yuan in state treasury bonds this year. By the end of May, only 8.3 billion yuan were sold because a number of investors have turned to high-return enterprise bonds.

Report on County-Level Tax Turnover

OW1706144093 Beijing XINHUA in English 1418 GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—China had 190 counties with an annual turnover in tax exceeding 100 million yuan in 1992, according to the State Taxation Administration here today.

These counties provided a total of approximately 35.5 billion yuan in taxation to the state last year, 29.7 percent of the total amount the State Treasury could get from more than 2,200 counties across the country.

The average tax income from each of the 190 counties was 187 million yuan, 3.5 times the average amount of the other counties.

In 1991, the country had only 131 counties whose annual taxation surpassed 100 million yuan.

Efforts To Attract Tourists Inland Noted

OW1706133493 Beijing XINHUA in English 1314 GMT 17 Jun 93

[Text] Beijing, June 17 (XINHUA)—China's first Huangguoshu Waterfall Festival is to be held August 8-15 this year, which is one of the efforts by the state to attract more overseas tourists into the inland parts of southwest China.

According to Liu Yi, head of the State Administration of Tourism, the state is to organize a series of China landscape tours this year.

One of these tours will be centered at Huangguoshu scenic spots in southwest China's Guizhou Province. The resorts along the tour include Dianchi Lake, the Yangtse Gorges and Jiuzhaigou Valley.

Particularly noteworthy is the Huangguoshu Waterfall, which is 74 meters high and 81 meters wide. Behind the majestic fall, a cave about 100 meters long runs along the cliff. It is unique and surprising to watch the fall flying downward by the cave window, a local official described.

A series of activities have been prepared for the festival, said Chen Shineng, governor of Guizhou Province. They include the China International Liquor Day, the Panda Day, the Travel Along the Three Yangtse Gorges and the Exhibition of Local Ethnic Costumes.

According to the governor, Guizhou is a multi-national province where minority nationalities live in compact communities. Their unique culture, songs, dances and customs are charming. The architecture such as Miao nationality wooden houses, Buyei stone villages, and dong drum towers and roofed bridges exhibit fully the wonderful workmanship of the local ethnic peoples.

China's tourism is showing favorable development at present. The state had received a total of 13.44 million overseas tourists in the first four months this year, up 10.2 percent over the same period last year, earning the state 1.31 billion U.S. dollars, up 23.6 percent.

According to official analysis, the interior regions in central west and southwest China are witnessing more and more overseas tourists. These regions will become China's most attractive tourism resorts in the near future.

A leading official said that the State Administration of Tourism has given priority to tourism development in these regions.

Minister Announces Plans To Build Highways

*OW1806113193 Beijing XINHUA in English 1058
GMT 18 Jun 93*

[Text] Jinan, June 18 (XINHUA)—China will concentrate fund and materials on building four major national highways totalling 14,500 kilometers in the next eight years, to enhance communications which are now lagging behind economic development, a senior official said here today.

Huang Zhendong, minister of communications, said the four highways are from Tongjiang city in Heilongjiang Province to Sanya city on Hainan Island, Beijing to Zhuhai in the south, Lianyungang city in the east to the westernmost, Horgos, in the Xinjiang Uygur Autonomous Region, and Shanghai to Chendu, capital of Sichuan Province.

The minister told a construction conference in Jinan that the highways are key projects in the coming years until 2000.

The highways will be built up to a standard to allow speeds of more than 60 kilometers an hour, and will pass through over 20 provinces, autonomous regions and municipalities, linking over 100 large and medium-sized cities.

"These four highways, which will link coastal areas and inland provinces, will have great significance for the national economy and social development," the minister said.

In addition to the central government's contribution, investment will also be sought from local government and foreign sources, the minister said.

Building up the system of national highways is an important step to improve China's communications and overcome transportation problems which are restricting economic development.

By the end of 1992, China had built 1.05 million kilometers of highways, including 600 kilometers of expressways.

Group To Supervise Beijing-Kowloon Railway

*OW1806100393 Beijing XINHUA in English 0835
GMT 18 Jun 93*

[Text] Wuhan, June 18 (XINHUA)—An independent supervision and management group is being employed to oversee the construction of the Beijing-Kowloon railway, the longest railroad requiring the largest investment ever in China, according to a senior railway official.

Xu Zisheng, deputy director of the construction office of the Beijing-Kowloon railway, said that it was the first time for China to engage quality control consultants on railroad construction.

Xu said his office had signed contracts with seven institutions including the China Academy of Railway Sciences, the northern China Jiaotong University and Shanghai Railway Institute.

"They will keep a constant check on standards, progress and costs on this mammoth project," Xu said, adding "each is in charge of a certain section of the line."

Work Begins on Upgrading Lanzhou-Urumqi Railway

*OW1806082493 Beijing XINHUA in English 0806
GMT 18 Jun 93*

[Text] Lanzhou, June 18 (XINHUA)—Real work has begun to double-track the old railway from Lanzhou in Gansu Province to Urumqi in the Xinjiang Uygur Autonomous Region.

The railway, a single-track trunk line in northwest China, was built in the 1960s. With the rapid economic development, the railway has fallen far short of the need. Every year, about 6 million tons of goods are left untransported.

The state decided to double-track the railway last year and, together with the local governments, set aside 3.9 billion yuan (about 700 million U.S. dollars) for the project.

Now the project is proceeding at an average rate of 1.7 kilometers a day and the whole project, totalling 1,622 kilometers, is expected to be completed in three years.

East Region

XINHUA Views Shandong Economic Progress

OW1706162793 Beijing XINHUA in English 1556
GMT 17 Jun 93

[Text] Jinan, June 17 (XINHUA)—East China's Shandong Province, having made great progress in the development of infrastructures, will continue to pump more funds into this sector in a bid for smooth development of the local economy.

During the 1988-1992 period, the province invested 29.1 billion yuan (5.7 billion U.S. dollars) in 73 projects concerning transportation, telecommunications and energy supply.

The province thus increased its annual production capacity of oil by 19.91 million tons, of coal, by 11.57 million tons, and of electric power, by four million kw.

It also extended local highways by 5,600 km, and railways, by 116 km. Its ports could handle an additional 30 million tons of cargo.

To date, Shandong ranks first in the country in terms of output of electric power and length of highways. It ranks second in output of oil and cement.

Not satisfied with that, the province will invest a total of 5.85 billion yuan in 36 infrastructural projects this year, 28 percent up over that in 1992.

The projects cover the express highway from Jinan, capital of Shandong, to Qingdao, a coastal city in the province, the Shandong part of the Beijing-Kowloon railway line, an optical cable line, a local railway, electric power generation equipment, and a coal dock at the Qingdao seaport.

In the next eight years, the province will continue to emphasize construction of infrastructural facilities, trying to build a complete highway, railway and air transportation network, and a modern telecommunications system featuring optical cables and digital microwave lines.

In addition to construction of new coal mines and oil fields, the province will build ten large electric power plants with a capacity of 10 million kw.

To garner funds for the infrastructural sector, the province plans to issue bonds and attract more overseas investment as well as speeding up turnover of bank loans.

Shandong is in line with the country's efforts to ease economic strains.

Statistics show that China earmarked nearly 50 billion yuan in the first four months of this year for revamping its backward infrastructural facilities, which threaten to choke the steady and sustained growth of the national economy.

Statistics indicate that investment in the transport and telecommunications sector rose by 137.8 percent over that of the same period last year.

Shandong's ZIBO SHENGPING BAO Starts Publication

SK1806041693 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 17 Jun 93

[Text] ZIBO SHENGPING BAO [ZIBO LIFE PAPER] formally started publication on 16 June.

This paper persists in the principle of gearing Zibo city's special characteristics and the style of the evening paper to the needs of the masses, including being close to the people's livelihood. This paper has formally obtained the state unified registration number.

Shanghai Maritime Transport Company Inaugurated

OW1806090893 Beijing XINHUA in English 0850
GMT 18 Jun 93

[Text] Shanghai, June 18 (XINHUA)—The Shanghai Maritime Transport (Group) Corporation, the largest shipping company in China, was inaugurated here today.

The new company will provide passengers and cargo services on domestic and international routes. It will also carry out repairs and run breakers yards and provide labor services for overseas clients.

The company has 200 passenger ships, freighters and oil tankers, capable of transporting 3.7 million people and 80 million tons of cargo annually.

The predecessor of the company was the Shanghai Bureau of Maritime Transport Administration which was responsible for shipping in eastern China.

Zhejiang Meets on Lessening Peasants' Burdens

OW1706022493 Hangzhou Zhejiang People's Radio
Network in Mandarin 1030 GMT 7 Jun 93

[From the "Provincial News Hookup" program]

[Summary from poor reception] "A provincial work meeting to discuss ways to lessen peasants' burdens was held 5-6 June in Pinghu. Vice Governor Liu Xirong, member of the Standing Committee of the provincial party committee, heard reports of various cities and prefectures on their work in lessening peasants' burdens." He asked all localities to earnestly implement the relevant regulations adopted by the State Council and rectify the wrongful collection of various fees from peasants.

"Vice Governor Liu Xirong called on party and government leaders at all levels to quickly liquidate various documents and stipulations on collecting fees from peasants, apart from those stipulated by state laws and regulations." He clearly pointed out that without the approval of the provincial relevant departments and the

peasants' burden supervisory and administrative departments, wanton collection of fees, wanton imposition of fines, wanton fundraising, and other unauthorized activities that would increase peasants' burdens must be strictly stopped by the end of June. The collection of various fees payable by peasants must be carried out strictly in accordance with regulations promulgated by the central authorities. Those who disregard the laws will be investigated and dealt with according to law.

Liu Xirong asked party and government leaders at all levels to quickly establish leading bodies in their respective regions and departments and empower them to carry out the work of lessening peasants' burdens.

Southwest Region

China's Longest Road Tunnel Completed in Sichuan

OW1806083093 Beijing XINHUA in English 0816
GMT 18 Jun 93

[Text] Chongqing, June 18 (XINHUA)—China's longest road tunnel at the Zhongliang Mountain, was finished today in Chongqing in southwest China's Sichuan Province.

The tunnel is part of the highway between Chengdu, capital of the province and Chongqing. The double-line tunnel is 6,268 meters in total length.

It took the Fifth Construction Division of the Ministry of Railways 33 months to dig the tunnels. The division won the competitive bid for the 140 million yuan project financial with a World Bank loan in 1990.

Religious History, Freedom of Tibet Highlighted

OW1706162693 Beijing XINHUA in English 1543
GMT 17 Jun 93

[Text] Lhasa, June 17 (XINHUA)—For more than 1,000 years the Bargar Street has been a bustling religious, tourist and commercial center in downtown Lhasa city in Tibet, and hence serves as a barometer of the local social conditions.

The street was first built 1,300 years ago in the times of Tubo, ancestors of the modern Tibetans. It grew prosperous upon the completion of the Jokhang Monastery which was built in the center of Lhasa in 647 a.d.

Songtsan Gambo (617-650), unifier and first king of a unified Tibet, wanting to cement friendly ties, asked for the hand of a Han princess in marriage. In 641 Tang Dynasty Emperor Tai Zong sent Princess Wen Cheng.

As the legend goes, the princess divined that the topography of Tibet is in the shape of a witch lying on her back. The Jokhang Monastery was located precisely in the witch's heart, so the monastery naturally became the center of Tibet.

Therefore, the street, like two arms embracing the monastery, has become a confluence of various folk customs in Tibet.

Most of the houses along the street are Tibetan-style white buildings with black doors and windows which are draped with beautiful curtains. On the roofs fly long and narrow colorful flags.

The Jokhang Monastery, on the other hand, is an outstanding work integrating both Tibetan and Han architectural flavors. Major parts of it such as roof beams are in Han style, while the decorations on columns and eaves are in classic Tibetan style.

On the walls of the monastery are many pictures depicting stories and famous figures in the history of Buddhism, and those showing the scenes of Princess Wen Cheng's entry into Tibet and the construction of the monastery.

Jokhang being a religious site, a large number of lamas and ordinary people flock here making kowtows or reciting Buddhist scriptures despite fine or bad weather.

During Tibetan festivals, especially in the annual moinlam qenmo, the grandest summons ceremony and religious festival in Tibet in January, some 1,000 lamas swarm in front of the Jokhang Monastery for grand religious ceremonies.

Senior lamas make replies to Buddhist classics to be qualified for the title of geshe, which is the highest degree in Lamaist scholarship and equal to a theological doctor's degree.

Also during the time of moinlam qenmo, Tibetan religious believers, at home and abroad, come to donate money and food.

In one part of the Bargar Street, incense drifts over the heads of Buddhists, while business activities are brisk in another part. It is a land accommodating both incense and modern perfume, primitive folk songs and pop songs, Buddhism and the mortal world, serenity and noise.

Improvements in Tibet, Han Immigration Noted

OW1806042993 Beijing XINHUA in English 0225
GMT 18 Jun 93

[XINHUA correspondents Liu Shuiyu and Xiong Jinchao]

[Text] Lhasa, June 18—Lhasa had no electricity before the peaceful liberation in 1951, but now almost all households on the Bargar Street in downtown Lhasa have modern electrical appliances such as washing machines, refrigerators, TV sets and tape recorders.

Han Xiujun, a man of Han nationality (the majority in China) in his 70s who came to Lhasa in 1941 from India

to settle down on the Bargor Street, said this is just one of the sweeping changes that have taken place since 1951.

"Before 1951 most Tibetans lived in adobes, but now all my acquaintances have moved into new two-story homes," he said.

Changes in transportation are very impressive, said Han, one of the two survivors of the Han nationality people settling down in Lhasa in the '30s and '40s.

In the past even senior officials of the local government and upper-class nobles had only horses to ride, he recalled.

"As Tibet had not a single highway then, the overwhelming majority of Tibetans did not know what a car looked like. But now you can see many taxis running in Lhasa streets. Many households have bought various kinds of bicycles and better-off households have bought motorcycles and even cars," he said.

"We used to worry about vegetable shortages because Lhasa then had only three to five small vegetable farms and a few vegetable growers. Available then were just several varieties, such as cabbages and potatoes. Now you can buy whatever vegetables you want—tomatoes, celery and garlic bolts.

In the past most Tibetans could not afford butter—an indispensable ingredient for making butter tea Tibetans now drink every day. Zamba—roasted qingke (highland barley flour—served as their staple food.

Han said, "today most young people are not used to eating zamba. They have grown fond of rice, steamed stuffed buns, steamed bread and refreshments."

In the past, only nobles could wear clothing made with imported woollen pieces, silk or satin. "Now, more and more Tibetan men wear Western suits, and more and more Tibetan women wear fashionable dresses. Tibetan children are now dressed beautifully. Although aged Tibetans still wear Tibetan costumes, the quality of costumes is much better and colors are brighter.

"When I first came to Lhasa," Han recalled, "there were several dozen stores on the Bargor Street and most business people were Nepalese and Hui nationality people. Then goods were scarce in Tibet and even matches had to be imported from India. Most commodities had to be transported from India on horseback."

He said there are so many stores in Lhasa that he cannot count their exact number. Available are a complete range of goods as in other parts of China, compared to just fabrics, porcelain, tea and handicrafts before 1951.

Speaking of relations between Han and Tibetan residents on Bargor Street, he said, "these relations have always been very close and harmonious. Otherwise, how can we, a few Han people, have lived for such a long time here?"

"I married a Tibetan woman. And my three sons and two daughters are registered as Tibetans.

"Instigated by a handful of bad people, a very small number of Tibetans objected to the presence of Han people during the 1987-89 period," he said. However, he added, the overwhelming majority of Tibetans are on close terms with Han people.

He noted that "with the deepening of reform, opening Tibet wider to the outside world and improvement in people's living standards, the situation in Tibet has been stable over the past few years. Both our Tibetan friends and we hope that under the leadership of the Chinese Communist Party, China will become increasingly prosperous and Tibet will expand its economy in peace.

"All of us also hope that Tibetans, Han nationality people and people of other ethnic minority nationalities will achieve common prosperity. We will never permit anyone to stir up riots here," he said.

Tibetans Electing Deputies to People's Congresses

OW1806132293 Beijing XINHUA in English 1306
GMT 18 Jun 93

[By correspondent Do Qiong]

[Text] Lhasa, June 18 (XINHUA)—More than 1.2 million Tibetans and other minority nationality voters are electing new deputies to people's congresses of 928 townships and 73 counties in the Tibet Autonomous Region.

Newly elected deputies will then elect heads of these township governments and magistrates of these counties.

Tibetans and other minority nationality people are expected to account for at least 95 percent of the new deputies. All township heads and county magistrates are expected to be Tibetans and other minority nationality people.

Basang Norbu, deputy secretary-general of the regional people's congress, Tibet's legislature, said, "We Tibetans have always enjoyed all political rights as specified by China's constitution and other laws."

He said, "Led by the central government and backed by people in other parts of China, Tibetans have expanded their productive forces and improved living standards. So they have enhanced their awareness of democracy and have aroused their initiative for becoming involved in political affairs."

In Quxu County 70 kilometers southwest of Lhasa, the capital of Tibet, this correspondent saw Gesang Wangdui, who became disabled in old Tibet as a result of beatings by a serf owner, declining the offer of his daughter to cast a vote for him. Walking with extreme difficulty on disabled legs to the ballot box, he cast his vote.

He said he was just six years old when his parents died. He became a serf at the age of 12.

Gesang said: "In the past what I cared about most every day was to have enough to eat and have fewer beatings. I did not know what the right to elect meant. Since the peaceful liberation of Tibet in 1951, however, I have elected deputies to people's congresses eight times. While casting my vote, I really feel that I have become a master of the country."

Tibetan Communications Development Reviewed

HK1806124093 Beijing ZHONGGUO XINWEN SHE
in English 0831 GMT 18 Jun 93

[Text] Lhasa, June 18 (CNS)—As a result of the great efforts made during the 14 years of reform and opening to the outside world, the Tibet Autonomous Region has been supplied with postal and telecommunications facilities basing the network centre on Lhasa and offering a wide coverage taking in the entire region, the whole country and extending to the rest of the world, according to the Tibet Posts and Telecommunications Administration.

The state has in the past 14 years spent 250 million renminbi on Tibet's posts and telecommunications with the completion of the Lhasa posts and telecommunications headquarters and postal and telecommunications complexes in six areas of the region. Seven ground stations for satellite communications have come into operation while a key postal network has been created throughout the region.

More than 81 percent of all telephone service in the region's prefectures and cities is now automated and there is a capacity for 21,000 lines. Telephone networks have been set up in 58 counties and cities while Lhasa and Shannan Prefecture are connected to the international long-distance network. A wireless communications system has also been established and mobile telephones as well as pagers have become popular in Lhasa.

By the end of 1992, Tibet had 123 posts and telecommunications stations and substations and a postal service was available in 74 percent of its townships and 80 percent of administrative villages. In 1979 there were 1.2 telephones for every 100 persons, but this has risen to the present 6.67 for every 100, a growth of 4.7 times in postal and telecommunications service.

Lhasa Sets Up Religion-Oriented Travel Service

HK1806071093 Beijing ZHONGGUO XINWEN SHE
in Chinese 0824 GMT 17 Jun 93

[By reporter Zhou Shufan (0719 2579 0416): "China's First Religious Tour Travel Agent Set Up in Lhasa"]

[Text] Lhasa, 17 Jun (ZHONGGUO XINWEN SHE)—The China Tibet Nationality Travel Service—China's first travel agent providing religion-related tourist services—was set up recently in Tibet's capital Lhasa, a

famous holy city of Tibetan Buddhism. There are now 21 travel agents of all types in Tibet.

In Tibet, there are more than 1,400 temples and monasteries. Zhebang Monastery, Jokhang Monastery, and Zhashilunbu Monastery are famous inside and outside China. The religion-related tourist resources are extremely rich. In recent years, along with the expansion of opening up and the development of tourism in Tibet, tourists from overseas areas and from Hong Kong, Macao, and Taiwan have been increasing. Religion-related tours have become a new aspect of the tourist industry.

Approved by and registered with the Tourism Authority of the Tibet Autonomous Region, the China Tibet Nationality Travel Service was set up to promote the economic development of the temples and monasteries. The travel agent hires part-time Tibetan, Chinese, and English-speaking tourist guides in various major temples and monasteries. The scope of its business includes arranging welcoming ceremonies in the monasteries, arranging guided tours of the monasteries, worship ceremonies, short-term living in the monasteries, studies of Tibetan Buddhist classics, studies of relics, and the selling of religion-related souvenirs.

Tibet Extends Airport To Take Boeing 747's

OW1806141993 Beijing XINHUA in English 1401
GMT 18 Jun 93

[Text] Chengdu, June 18 (XINHUA)—Extension of Bangda airport in Qamdo County in the eastern part of the Tibet Autonomous Region, which is a major national construction project with a total investment of 210 million yuan, started today.

With an elevation of 4,200 meters, Bangda airport is the world's highest airport.

About 130 kilometers away from Qamdo County seat, Bangda airport was first built in the 1970s. The runway of the airport is to be extended to 4,000 meters in length and 60 meters in width. Construction of the runway is expected to be completed in September this year while the whole project including the lounge building and various attached facilities such as meteorological, telecommunications and guidance stations will be completed before the end of October next year. By then, the airport will be able to accept various kinds of large aircraft including the Boeing 747.

Experts noted that construction of Bangda airport will greatly promote economic, cultural and technological development in Qamdo area and in all of Tibet, which used to be practically inaccessible.

North Region

Activities of Beijing's Chen Xitong Reported

Addresses Meeting on Industry

SK1606034893 Beijing BEIJING RIBAO in Chinese 18 May 93 p 1

[By reporter Bi Kun (3968 2472): "Master Skills and Transform Mechanism To Make Sure That This Year's Work Surpasses Last Year's"]

[Excerpts] Beijing Municipality held a meeting on 17 May to exchange the experiences in industrial enterprises' implementation of the "regulations" and "methods." Chen Xitong, Li Qiyang, and Li Runwu attended and addressed the meeting. They emphasized that to comprehensively implement the "regulations" and "methods," the major work at present is to master skills and achieve success in the reform of the internal mechanism. [passage omitted]

Chen Xitong, secretary of the municipal party committee, emphasized in his speech: We should comprehensively implement the "regulations" and "methods." The "regulations" not only deal with government's delegation of power to lower levels but, in most parts, call on enterprises to exert more efforts to address problems. In the past, government's transformation of functions was the major aspect of the contradiction, and enterprises were bound hand and foot. Therefore, there was the need to delegate power. After a period of hard work, government departments have devolved power step and step, and enterprises have been given the major power. There is still some power that has yet to be transferred, but this does not have fatal influence on enterprises. The municipality should conduct investigations and study, decide on the matters on which they have the authority to decide, and win the power on which they cannot decide themselves from the pertinent departments of the municipality. At present, the major aspect of the contradictions rests with enterprises. They should set strict demand on themselves, master skills, improve themselves, and, in particular, succeed in the reform of their internal mechanism and boost the enthusiasm of their cadres, staff, and workers.

Chen Xitong pointed out: One-third of the enterprises in the municipality are still suffering deficits. Their amount of deficits is merely 100 million yuan, but their number is very large. In developing the market economy when the law of value plays a role and competition is intense, enterprises will frequently and inevitably incur deficits due to a lack of subjective efforts, changes in objective conditions, or a lack of competitive edges. The current problem is the large number of loss-making enterprises and the failure of enterprises in fully tapping their production potential. When it is impossible for loss-making enterprises to put an end to deficits, they should consider merge, temporary or permanent suspension, or change of production lines early and never consider

maintaining their undeserved reputation for fear of losing face or their position. They should have the foresight of modern market competition and attach importance to the interests of the people and the state. When enterprises are merged, they may supplement each other with their own advantages or change their lines from the secondary industry to the tertiary industry, thus having the possibility to achieve greater development. This is also an opportunity. They should think about it, be determined, and take action early and no longer procrastinate. Chen Xitong pointed out: The situation in the industrial front is good. Inspired by the guidelines of Comrade Deng Xiaoping's important speeches, the 14th national party congress, and the First Session of the Eighth National People's Congress, the entire municipality has made further efforts to emancipate the mind since the beginning of this year. The industrial front has bright prospects for doing better than last year. It is hoped that everyone will double and redouble their efforts.

Ouyang Wenan, Standing Committee member of the municipal party committee; responsible persons of the pertinent municipal committees, offices, bureaus, and general corporations; and responsible persons of districts, counties, and industrial enterprises were present at the meeting.

Addresses Foreign Funds Use

SK1806074993 Beijing BEIJING RIBAO in Chinese 19 May 93 p 1

[Excerpts] On the morning of 18 May, while listening to the report on utilization of foreign funds by Beijing, Chen Xitong, secretary of the municipal party committee, stressed the necessity of further emancipating the mind and firmly seizing the opportunity. He pointed out: In utilizing foreign funds, we should be rapid in holding talks, in starting construction, in putting projects into production, and in yielding results. Only by doing so can we seize the opportunity in a comprehensive way.

Mayor Li Qiyang stressed in his speech: To seize favorable opportunities, we should organize a number of persons to specially research how to tackle difficulties and rapidly import foreign funds with an extraordinary spirit and the spirit of arduous struggle. Also listening to the report were municipal leaders Wang Baosen, Qiang Wei, Lu Yucheng, Hu Zhaoguang, and Meng Xuenong.

In accordance with the guidelines of the instructions given by the municipal party committee and the government, on "regarding the utilization of foreign funds as the most important content of Beijing's opening up," all departments as well as all districts and counties in the municipality have exerted great efforts in accelerating the utilization of foreign funds. From January to April this year, the municipality as a whole newly approved 1,201 foreign-invested enterprises. In other words, an average of 12 foreign-invested enterprises were approved on each workday. The total contracted volume of these newly approved enterprises amounted to \$4.13 billion.

greatly surpassing the total contracted volume throughout last year. Among the newly approved foreign-invested enterprises, 93 exceeded \$10 million in their respective scale of investment, and 20 exceeded \$50 million. Major changes took place in the structure of investment, and the proportion of real estate trade went up obviously. Thus far, the municipality has approved a total of 5,011 foreign-invested enterprises, and the total contracted volume has reached \$12.2 billion, of which, \$6.4 billion are direct foreign investment. [passage omitted]

In his speech, Chen Xitong stressed the necessity of further emancipating the mind and firmly seizing the opportunity. He said: We have achieved great results in utilizing foreign funds, and the situation in this aspect is very good. Such a good situation has been achieved under the encouragement of Comrade Deng Xiaoping's important speeches made during his south China trip and the guidelines of the 14th CPC National Congress and the First Session of the Eighth National People's Congress. Thanks to the unanimous understanding and action of the people, the current situation is developing much faster than expected. At the moment, we are required to overcome new ideological obstacles, one being self-satisfaction, and another being fear of difficulty resulting from fund shortages. By further emancipating the mind, we mean freeing ourselves from the above-mentioned lopsided ideas and from metaphysics. Otherwise, opportunity will run away. Now, there are 5,000 foreign-invested enterprises of three types in the municipality. Far from being too much, this figure is smaller than that in some fraternal provinces and municipalities, and there is still a long way to go to meet the demands of the capital. The potential and the leeway in this aspect is very great. Many spheres, such as the construction of highways and subways and power and building materials industries, have not yet or have seldom utilized foreign funds. Therefore, we should not be self-satisfied, not to speak of being blindly self-satisfied, as opportunity will then slip away. When faced with difficulties, we should first admit to them and then be fearless. Never should we be discouraged by difficulties no should we hesitate before solving difficulties. By further emancipating the mind, we mean breaking with new ideological obstacles that prevent us from firmly seizing opportunity. If we fail to emancipate the mind, we will not be able to firmly seize opportunity. To firmly seize opportunity, we must first emancipate the mind. This is the precise relation between the two.

Chen Xitong pointed out: In utilizing foreign funds, we should grasp competition, compete with each other in our speed of growth which can manifest itself in quantity, in the amount of foreign funds utilized, in the initiation of construction, and in the commission of projects. Various districts and counties as well as various departments should not only pay attention to holding talks, but also yield results as quickly as possible. To firmly seize the opportunity, we must be quick to hold talks, start construction, begin production on projects,

and in yielding results. This means seizing the opportunity in a comprehensive way, and is conducive to all of the state, the people, and foreign traders. The current situation demands that we do the work quickly and with added vigor.

Wang Baosen and Lu Yucheng also spoke at the report meeting.

Presents Certificate to Firm

SK1606144693 Beijing BEIJING RIBAO in Chinese 19 May 93 p 1

[Text] Beijing has approved more than 5,000 foreign-investment enterprises. Yesterday morning, Chen Xitong, secretary of the municipal party committee, presented a certificate to the 5,000th joint-venture enterprise—the Heluxue (Beijing) Company, Limited.

Mayor Li Qiyang; Duan Cunhua, former vice minister of light industry; and leaders of the municipal party committee and the municipal government, including Wang Baosen, Qiang Wei, Lu Yucheng, Hu Chaoguang, and Meng Xuenong, attended the certificate-giving ceremony.

Since reform and opening up, Beijing has gradually developed the work of using foreign capital. Since Comrade Deng Xiaoping's important speech given during his tour to south China, in particular, the number of "three types of foreign-funded enterprises" has increased day after day, giving rise to a gratifying situation characterized by an accelerated development rate, broad investment sphere, expanded investment scale, and noticeable economic efficiency.

Heluxue (Beijing) Company, Limited, is a Chinese-British joint-venture enterprise, with a total investment of nearly \$30 million, which mainly produces and sells ice cream. Mr. Wen Dejie, president of the Asian-Pacific branch of the British United Lihua Company, Limited, gave a speech. He feels that it is a special honor for Heluxue (Beijing) Company, Limited, to become the 5,000th foreign-funded enterprise and it is a milestone in Beijing's opening up which helps to strengthen their confidence in the future development of joint ventures. He wished Beijing success in its bid for hosting the Olympic Games in 2000, and stated that this company will provide support if the bid for hosting the Olympic Games is successful so that this company can deserve the honor of being the 5,000th joint venture. Chen Xitong agreed with him and hoped that all athletes, judges and guests will enjoy the ice cream of Heluxue Company.

Vice Mayor Lu Yucheng gave a speech in which he said: Our success in exceeding the target of 5,000 foreign-funded enterprises has indicated that Beijing has entered a new stage in opening to the outside world. Beijing's domain of using mainly foreign capital includes the

priorities of further strengthening the building of infrastructure facilities, accelerating the building of development zones, strengthening the technological transformation of traditional industries and the integrated development of high-technology industries, and promoting the readjustment of production set-up and product mix. In addition, along with the development and perfection of the market economy, we should also actively broaden the investment sphere for foreign businessmen; accelerate the development of tertiary industry; and promote the development of farming that earns foreign exchange, ecological farming, and township industries.

At Ceremony To Open Avenue

SK1806043093 Beijing BEIJING RIBAO in Chinese 25 May 93 p 1

[By reporter Liu Zhengfei (0491 2973 7236) and correspondent Gao Shenghui (7559 0524 1979): "Guanganmenwai Street Is Formally Open to Traffic"]

[Excerpts] After 16 months of valiant struggle by some 1,000 staff members and workers of the No. 2 and the No. 4 Municipal Engineering Corporations, construction on Guanganmenwai Avenue was smoothly completed and formally open to traffic on the afternoon of 24 May. Municipal leaders Chen Xitong, Li Qiyang, Wang Baosen, Li Yongan, Meng Xuenong, Duan Qiang, and Fan Yuanmou attended the opening ceremony. Shan Zhaoxiang and Chen Xiangyuan, veteran comrades on the capital construction front of the municipality, cut the ribbon at the opening ceremony.

In recent years, road construction in urban areas of the capital has developed at full speed. When the Dongxiang, Xixiang, and Nanxiang roads and the second northwest ring road opened in succession, the traffic load of Guanganmenwai Avenue, a major passageway in Xidamen of the capital, suddenly increased, and it became a "bottleneck" area. Early last year, the municipal party committee and the government decided to thoroughly rebuild Guanganmenwai Avenue. A total 1.5 km in length, this road starts at the Guanganmen Overpass in the east and ends at Wanzi in the west where Xuanwu District and Fengtai District meet. This project includes the building of Baiyunlu Overpass, a railway culvert, a paving bridge, and two overline bridges, the building of 58,000 square meters of asphalt pavement, and the laying of 11.5 km of underground pipelines of various kinds. After the reconstruction, this avenue will be expanded from the original 14 meter-wide road with a combination of fast lanes and slow lanes to a road with six fast lanes separated from its two seven meter-wide slow lanes. [passage omitted]

The completion of the Guanganmenwai Avenue will thoroughly change traffic problems in this area and will provide a good condition for rebuilding the dilapidated and dangerous houses in Xuanwu District so as to invigorate the economy. With the opening of this

avenue, the second and the third ring roads are now connected with Beijing-Shijiazhuang Highway, and it has now become an important passageway to western Beijing. At the same time, this avenue has created a good transportation condition for building the west station.

Beijing Company Donates to National Sports Meet

SK1706114593 Beijing BEIJING RIBAO in Chinese 29 May 93 p 1

[By reporter Yang Yuehua (2799 6460 5478): "Chen Xitong and Li Qiyang Attend Ceremony of Donating Money to Seventh National Sports Meet by Beichen Group"]

[Text] On 28 May when there are only 99 days to go before the opening of the Seventh National Sports Meet, the Beijing Beichen Industrial Group Company donated 1.88 million yuan to the preparatory committee for the Seventh National Sports Meet to supplement the construction of the residential areas stationed by the delegations participating in the Seventh National Sports Meet. Chen Xitong, secretary of the municipal party committee; and Li Qiyang, mayor of the municipality, attended the money donation ceremony.

At the ceremony, Li Qiyang presented a commemoration cup to the Beijing Beichen Industrial Group Company, and Xu Yansheng, vice chairman of the State Physical Culture and Sports Committee, issued a certificate of honor to the group company. Zhang Baifa, chairman of the preparatory committee for the seventh national sports meet and executive vice mayor of the municipality, made a speech at the ceremony. He spoke highly of the Beichen Group for its contributions to the successful convocation of the Asian Games as well as for its great assistance to the seventh national sports meet. He said: Sponsoring the seventh national sports meet is of great significance. Particularly, it will produce a great impact on Beijing's bid for the 2000 Olympic Games. He hoped that all social circles would give great assistance and pool the wisdom and efforts of the people to successfully sponsor the seventh national sports meet and to strive for organizing the Olympic Games.

New Inner Mongolian Leader Wu Liji Interviewed

OW1706042393 Beijing Central Television Program One Network in Mandarin 1100 GMT 16 Jun 93

[Interview with Wu Liji, chairman of the Inner Mongolia Autonomous Regional Government, by unidentified reporter; place and date not given; from the "National News Hookup" program]

[Text] [Video shows announcer making introduction; the words "An Interview With the Governor" appears on the screen] Wu Liji, newly elected chairman of the Inner Mongolia regional government, has worked for many years in Inner Mongolia's Hulun Buir League, where he gained rich experience in working at the grass-roots level.

The most profound impression he gave people was that he was extremely conscientious in his work.

[Begin recording] [Video shows woman reporter interviewing Wu Liji on a street corner] [Reporter] Chairman Wu, before I came here, I heard people talking about you, saying that you are very conscientious in your work. How did such a praise come about?

[Wu] It suppose it came from my day-to-day work. Ordinary people will benefit if a leader is serious about his work. I am just a little bit more serious.

[Reporter] The gap between the Inner Mongolia Autonomous Region and the open areas along the coast is widening. What can we do to narrow the gap? Do you have any grand plans in this regard?

[Wu] First, we must admit that the gap exists. However, the gap is rooted in history, geography, and other factors. Regarding grand plans, the regional party committee and government have had them for a long time. My job is to successfully carry them out according to established principles. It means primarily achieving our goal in two stages covering eight years. During the first stage, covering three years, we will strive to accomplish three economic targets. In the second stage, lasting five years, we will strive to achieve the goal of raising our per capita GNP to or above the national average.

[Reporter] What does the Inner Mongolia Autonomous Region rely on to accelerate development?

[Wu] Our strength lies in our rich natural resources. We will adopt a strategic approach of transforming our rich natural resources. We will develop the backbone industries of coal and electric power ahead of other industries. Regarding electric power, our general plan is to generate 20 million kw of electricity by the year 2000. The region will be divided into three parts as far as its power industry is concerned. Electricity generated in the western region will be used to meet the region's own consumption. That generated in the central region will be sent to north China—Beijing, Tianjin, and Tangshan—with Beijing as our main emphasis. That generated in the eastern region will be sent to northeast China. Our country's strategy of developing central and western regions provides the Inner Mongolia Autonomous Region with an extremely good opportunity. Taking advantage of this opportunity, the region will develop its economy and raise its standards of living. By so doing, the people in this region will be able to contribute more to the country.

[Reporter] Are you confident of achieving this goal?

[Wu] Not only myself, but the people of various nationalities in the autonomous region are confident of achieving the goal. Our Mongolian people have a proverb stressing the need of doing concrete work: An old ox can catch up with a faster rabbit if it works in a down-to-earth manner. [end recording]

Inner Mongolia Publishes Personnel Namelist
SK1806053893 Hohhot NEIMENGGU RIBAO in Chinese 18 May 93 p 1

[Text] The following is the namelist of personnel appointments approved at the first meeting of the Eighth Inner Mongolia Regional People's Congress Standing Committee on 17 May:

Niu Yuru [3662 3768 0320] was appointed secretary general of the autonomous regional people's government.

Wu Ritu [3527 2480 6634] was appointed chairman of the autonomous regional planning commission.

Zhou Dehai [0719 1795 3189] was appointed chairman of the autonomous regional economic commission.

Fu Shouzheng [0265 1343 2973] was appointed chairman of the autonomous regional agriculture commission.

Liu Xuemin [0491 1331 2404] was appointed chairman of the autonomous regional science and technology commission.

Baiyindelilai [4101 7229 1795 0500 3189] was appointed chairman of the autonomous regional nationalities' affairs commission.

Liu Zhilan [0491 5347 5695] was appointed chairman of the autonomous regional family planning commission.

Hexiget [6320 1565 2706 0956] was appointed chairman of the autonomous regional physical culture and sports commission.

Wei Xuan [7279 3763] was appointed chairman of the autonomous regional Mongolian language work commission.

Xin Yongfu [6580 3057 4396] was appointed director of the autonomous regional urban construction and environmental protection department.

Zheng Changhuai [6774 7022 3232] was appointed director of the autonomous regional communications department.

Zhang Qisheng [1728 0796 3932] was appointed director of the autonomous regional metallurgy and machine-building industrial department.

Li Fulin [2621 1381 2651] was appointed director of the autonomous regional petrochemical industry department.

Wang Junyu [3769 0193 3768] was appointed director of the autonomous regional light industry department.

Gao Shouyao [7559 1343 1031] was appointed director of the autonomous regional coal industry department.

Fan Youkai [5400 3266 1956] was appointed director of the autonomous regional finance department.

Wuertudalai [3527 1422 0956 6671 0171] was appointed director of the autonomous regional commerce department.

Chang Wanfu [1603 8001 1381] was appointed director of the autonomous regional department of foreign economic relations and trade.

Wu Guozhong [0702 0948 1813] was appointed director of the autonomous regional labor and personnel department.

Ren Fengxiang [0117 7685 5046] was appointed director of the autonomous regional civil affairs department. Saijierfu [6357 0679 1422 1133] was appointed director of the autonomous regional department of justice. Han Yongjiu [7281 3057 0036] was appointed director of the autonomous regional education department. Jiao Xuedai [3542 7185 1486] was appointed director of the autonomous regional culture department. Wei Lijun [7614 0500 5611] was appointed director of the autonomous regional public health department. Suertalatu [5685 1422 1044 2139 0956] was appointed director of the autonomous regional radio and television broadcasting department. Tian Yuze [3944 3768 3419] was appointed director of the autonomous regional material supply bureau. Wang Guosheng [3769 0948 4141] was appointed director of the autonomous regional auditing bureau. Qi Naren [1142 6719 0088] was appointed chairman of the internal judicial committee under the autonomous regional people's congress standing committee. Sun Yuzhen [1327 3768 3308] was appointed chairman of the committee of education, science, culture, and public health under the autonomous regional people's congress standing committee. Erdunzhabu [7345 1422 1415 2089 1580] was appointed chairman of the nationalities' affairs committee under the autonomous regional people's congress standing committee.

Northeast Region

Heilongjiang Secretary's CPC Congress Report

SK0606060493 Harbin HEILONGJIANG RIBAO in Chinese 13 May 93 pp 1-3

[Report delivered by Sun Weiben, secretary of the Heilongjiang Provincial CPC Committee, at the seventh provincial CPC congress on 7 May: "Emancipate the Mind, Bring Forth New Ideas, Do Practical Work, and Achieve Faster and Better Results in Pushing Heilongjiang's Economy to a New Stage"]

[Text] Comrades:

Entrusted by the Sixth Heilongjiang Provincial CPC Committee, I now give a report to this congress.

1. A Review and Summary of the Work of the Past Five Years

With the guidance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, party organizations at all levels throughout the province faithfully implemented the party's basic line; maintained ideological unity with the party Central Committee; and, proceeding from reality, united and led the people in the province to ceaselessly emancipate their minds and actively promote reform, opening up, and the modernization program since the sixth party congress, thus successfully accomplishing the various tasks defined at

the sixth party congress and creating a new situation in Heilongjiang's economic and social development.

Economic growth was sustained, and the overall economic strength was enhanced notably. In 1992 Heilongjiang's GNP totaled 84 billion yuan, and its national income 67.5 billion yuan, up 27.4 and 23.7 percent, respectively, from 1987. The total product of rural society came to 48.035 billion yuan, up 76.3 percent from 1987. The rural comprehensive production capacity increased substantially, grain production reached a new level every year, animal husbandry and township enterprises grew by a large margin, and a new trend of accelerated development emerged in the county economy. The industrial output value of the province totaled 108.96 billion yuan, up 35.7 percent from 1987. The original value of the fixed assets of the enterprises that instituted the independent accounting system exceeded 100 billion yuan, an increase of more than 50 billion yuan over 1987. A great number of key capital construction and renovation projects were built and put into operation. The power generation capacity increased by 3.546 million kilowatts, 1,400 km of new railways and highways were built, and business transactions of post and telecommunications service showed an increase of 2.1 times over 1987. In this way, the material and technological foundation for sustained economic development was strengthened.

The economic structural reform was deepened each day, and the transition to the socialist market economy was expedited. In the rural reform, on the basis that the household-based output-related contract responsibility system was stabilized, the dual management system combining unified operation with independent operation was further improved thanks to the expansion of the collective economic strength and the improvement of the socialized service system. In urban reform, while improving the contract responsibility system of state-owned enterprises, a number of enterprise conglomerates and associations consisting of production units, schools, and research units were established one after another, and the reform aimed at transforming enterprises' operating mechanism was conducted across the board. Macroeconomic regulation and control were improved, price control was lifted on most of the products managed under mandatory plans, and a price mechanism under which prices were established through the market force began to take shape. Multi-layered purchasing and marketing networks linking urban and rural areas for various varieties of daily consumer goods were by and large established, the markets for means of production were developed in such a way that central wholesale markets and regional retail markets were built, and monetary, technology, labor service, information, and real estate markets also developed to a considerable extent. Reform of the planning, financial, monetary, educational, scientific and technological, and foreign trade systems and the supporting reform in the social security and housing systems proceeded in a healthy

manner. Substantial progress was made in the establishment of reform experimental zones and the county-level organizational reform.

Significant breakthroughs were achieved in the opening up of border areas, and an initial new pattern of multi-directional opening up took shape. Border trade outlets increased from three in 1987 to 19. Three economic and trade fairs for the CIS and East European countries were successfully held. The 1992 volume of goods delivered to and from the province through border trade totaled \$1.59 billion, up 58 times from 1987; and its proportion in the province's total volume of imports and exports rose from 2.4 percent to 57 percent. The economic development of the border open areas was faster than the province's average. A pattern of opening border areas to the outside world with Harbin as a center, Heihe and Suifenhe as shop windows, and 19 border counties and cities as forward positions that link up the whole province and produces influential power over the places in and outside the province has preliminarily taken shape. We ceaselessly expanded the foreign trade and economic and technological cooperation spheres. The number of foreign countries that established trade ties with our province rose from 70 to more than 130. The total import and export volume was two times over the figure of 1987. Of this, the export volume of foreign trade reached \$1.83 billion. The province has upgraded its rank in the whole country from the 12th to the eighth. In 1992, the province approved 1,000 items on conducting economic and technological cooperation with foreign countries involving more than \$1.9 billion. Of this, 925 items have been directly invested by foreign businessmen; and \$567 million worth of foreign capital has been involved in these items, equal to the figure in the previous 13 years. Various categories and various levels of development zones started construction in varying degrees. The international tourist trade developed rapidly. Along with the smooth implementation of the strategy of opening the whole province to the outside world with the focus on opening border areas, the province has strengthened its strategic position in the pattern of opening the whole country to the outside world.

The people's living conditions have been relatively improved, and the people's living quality has been further upgraded. Jobs have been arranged for 1.2 million urban and rural people. The proportion of laborers in the population rose from 39.6 percent in 1987 to 40.9 percent. The per capita spendable income of the urbanites reached 1,428 yuan in 1992, an increase of 631 yuan over 1987; and the per capita spendable income of the rural people increased by a big margin. The consumption structure of the urban and rural people has changed. The people's living quality has noticeably improved. Some expensive durable consumer goods have been used by urban and rural families. Some 48.90 million square meters of houses have been built in the urban areas, and 27 million square meters of houses have been built in the rural areas. The per capita housing area of the urbanites

increased 15.7 percent over 1987, and that of the rural people increased 18.6 percent. The savings deposits of the urban and rural people increased by a big margin and reached 47.57 billion yuan, registering an increase of 2.74 times over 1987 and showing an annual average increase of 30.2 percent.

We made new headway in setting up a democracy and legal system and improving the spiritual civilization and consolidated and developed the political situation characterized by stability and unity. The provincial People's Congress Standing Committee, bringing into play its legislative and supervisory functions, worked out a series of local rules and regulations, strengthened the construction of the grass-roots political power, and effectively ensured the smooth progress of reform, opening up, and economic construction. The organizations of the Chinese People's Political Consultative Conference, the federations of industry and commerce, and the personages of various nationalities of various circles brought into play their role in participating in and discussing political affairs. A group of democratic party members and non-party patriotic personages have been recommended to take on the leading posts of administrative and judicial organs at the city and prefectural level. We strengthened the work toward the nationalities, the religious work, overseas affairs, and the work toward Taiwan; and further developed the patriotic united front. At the time of guarding against, dealing blows to, and ending the activities of sabotaging state security, we firmly attended to the overall improvement of social order, strictly dealt blows to serious criminal offenders and serious economic criminals, wiped out social evil phenomena, safeguarded the political stability, and maintained the sustained stability of social order. In conducting the propaganda and ideological work, we persisted in the keynote of seeking unity and stability, being full of vitality, and striving for thoroughness" and formed an accurate mass media orientation. We conducted the theoretical work in line with the social practice of reform and opening up and made a number of theoretical research achievements. We positively promoted scientific and technological development, speeded up the popularization and application of scientific and technological findings, and increased the contents of scientific and technological progress in the economic increase. Regular education and higher education developed in a sustained and stable manner, and the vocational and technical education and the education for adults developed rapidly. A large number of skilled persons suitable for economic construction were cultivated. Cultural and art, radio and television, and press and publication undertakings vigorously developed. A group of good works and good plays with special features of the times emerged. Putting up cultural stages and playing economic and trade stages becomes an effective form to invite businessmen and bring in capital. Public health and medical conditions were further improved. The people's health level continued to improve.

New progress was achieved in sports undertakings. The province successfully sponsored the seventh national

winter sports meet and became an important base for ice and snow sports in the country. Marked results were achieved in family planning work. Both the birthrate and natural growth rate of population declined by 3 permillage points. Army-civilian joint building and education work and "double-support" work were raised to a new level, and army- government and army-people unity was strengthened.

Party building was strengthened, and party organizations played their role as the core of leadership in reform and construction. In line with the principle of making cadre ranks more revolutionary, younger, better educated, and more professional, and the principle of training cadres to have both ability and political integrity, the province readjusted and strengthened the leading bodies of the prefectural and city levels and the leading bodies directly under the province's authority. A large number of excellent young and middle-aged cadres took charge of leading posts. Training was conducted on a large scale with some 550,000 cadres trained on a rotation basis, and some 1,000 young and middle-aged cadres chosen and dispatched to grass-roots areas to hold posts or to temper themselves. The province provided deputy heads in charge of scientific and technological work for various counties, cities, districts, and townships, and organized cadres of counties and townships to go to economically developed areas to conduct investigations and studies, thus improving the ability of cadres to lead economic work. The province strengthened the building of party organizations at the grass-roots level, enhanced their fighting capacity, and displayed the vanguard and exemplary role of party members. In the past five years, the province developed 245,816 party members, of whom, 50.7 percent worked at the forefront of production. Some 400,000 party members were commended and awarded by party committees and governments at or above the county and city levels. The province formulated and executed a series of regulations on maintaining honesty among party and government organs, implemented the responsibility system for improving party style and administrative honesty, seriously investigated and dealt with a number of law and discipline violation cases, concentrated on tackling problems which the masses complained strongly about, and maintained closer contacts between the party and the masses.

All these achievements resulted from the faithful execution of the party's basic line by party and government organizations at all levels and by the vast numbers of party members throughout the province under the correct leadership of the party Central Committee and the State Council; from the unity and struggle of workers, peasants, intellectuals, democratic parties, people's groups, and nonparty patriotic figures; and from the concerted efforts of commanders and fighters of troops in the province, the officers and policemen of the armed police force, and political and judicial cadres and

policemen. On behalf of the sixth provincial party committee, I want to extend my heartfelt thanks to comrades and friends who have contributed to the development of the province!

After summing up the work and practice of the past five years, we have gained the following basic experiences:

A. We must persistently regard economic construction as the central task, as the entire work shows that development is the only unchanged truth. The provincial party committee and all levels of party organizations are unswerving in their political belief and devoted to the prosperity and development of the province's economy. In an ever-changing world of complicated, political disturbances, we have paid attention to removing all sorts of interference, persistently regarded economic construction as the central task, and stressed the necessity of concentrating on handling our own affairs well, strengthening both economic construction and political and ideological work, and firmly orienting party work to economic construction. We have set forth and gradually perfected the strategy of invigorating the province through science and education and set forth a series of policies and measures to decontrol scientific research institutes and scientific and technological personnel and to promote scientific and technological progress. We have paid attention to relegating economic work to scientific and technological progress and improving the quality of laborers. In particular, following Comrade Deng Xiaoping's speeches during his south China tour and the definition of the 14th CPC National Congress of objectives of the socialist market economic system, we have seized a new development opportunity in line with the reality of the province, further perfected the strategic idea on economic development, and formulated the goals, systems, work priorities, and guarantee measures for pushing the economy to a new stage in an even faster and better way. However, we also deeply felt that contradictions remained in systems and structures and with no fundamental resolution, were restricting Heilongjiang's economic development for a long time. Furthermore, industrial development was sluggish, economic efficiency was low, and social production was characterized by high input and low output. In addition to historical reasons and the sluggish change in systems, these problems were mainly attributed to our insufficient emancipation of the mind, weak sensitivity to opportunity, lack of courage and insight into developing the local economy in a creative manner, lack of initiative in creating favorable conditions through every possible means for developing the local economy, and the incompatibility of our work mechanism with the objective needs of economic development. In view of the problems accumulated in our history, the many current difficulties, and the gap between our development and that of advanced provinces and municipalities, we should pursue the central task of economic construction with more determination, conscientiously strengthen party leadership over economic work, improve our ability and

level in leading and organizing the modernization program, seize the opportunity to advance despite difficulties, rely on the masses, work hard, and adopt every possible means to accelerate Heilongjiang's economic development.

B. We should persistently emancipate the mind, seek truth from facts, and unfailingly promote reform and opening up. Factors restricting Heilongjiang's economic and social development were numerous, but the most conspicuous ones were structural. Therefore, we have always regarded reform and opening up as the basic way to revitalizing the economy and the efforts of cadres and the masses to emancipate the mind as the most important link in promoting reform and construction. As achievements in large-scale discussions on the criteria of productive forces were maintained and consolidated, and in line with the actual conditions of the province, we pointed out the need for correctly handling the relationship between stability and development and between economic improvement and rectification and the deepening of reform in line with the actual conditions of the province, put forward the demands for resolving ideological issues in 10 areas, and emphasized the need for unifying people's thinking in line with Comrade Deng Xiaoping's theory and line of building socialism with Chinese characteristics in order to counter the new conditions and new problems cropping up in the different stages in the development of the situation. We have placed the focus of the endeavor on emancipating the mind and accelerating reform and opening up, on formulating policy regulations to help enterprises enter the market, on formulating detailed regulations for enterprises to transform their operating mechanism, and on formulating policy measures to support poor counties achieve prosperity and rich counties accelerate development. We have adhered to the principle of establishing ties with the south and opening to the north and the principle of opening in all directions, seized the historical opportunity to put forward the strategy of opening the border areas, made the 14-point decision on opening wider to the outside world, drawn up policies to support Heihe and Suifenhe accelerate opening up, set forth the task of building a large international economic and trade passageway, and promoted the strategic escalation of the endeavor to open to the outside world. Despite our great progress in emancipating the mind, we still did not have enough courage to actively break the shackles of the old systems, sufficient methods to resolve the difficulties in reform, and sufficient work to eliminate policy obstacles to reform. This shows that emancipating the mind remains a very pressing and arduous task. In emancipating the mind, we should proceed from reality and courageously implement everything. On the one hand, we should have the courage to devolve power and, on the other, support grass-roots units and the major units of production and management to have the courage to blaze new trails, experiment, and take risks. Only in this way can we accelerate reform and opening up and liberate and develop productive forces.

C. We must take a two-handed approach in work and be tough with both, uphold the four cardinal principles, reform and opening, and integrate them in practice. To accelerate the pace of the socialist modernization drive, we must pay attention to building both the material and spiritual civilizations. In our actual work, we correctly handled the relationship between upholding the four cardinal principles and upholding reform and opening up, and inside the party, we continued to conduct education on the communist ideal and conviction and the education on upholding the four cardinal principles with positive examples; in the whole society, we also conducted education on patriotism, collectivism, and socialism. During the political turmoil in 1989, party organizations at all levels resolutely implemented the central directives, opposed disturbances with a clear-cut stand, and safeguarded political and social stability in the whole province.

We summed up and popularized Daqing's experience in strengthening ideological and political work in a timely manner, delineated that ideological and political education should be aimed at extensively uniting with the people, strengthened and improved propaganda and ideological work, successively studied the special topics on the people's congress work, the CPPCC work, the political and legal work and the mass work, worked out relevant resolutions, and promoted the building of socialist democracy and the legal system. However, with the deepening of reform and opening up, and during the transition to the socialist market economy, we did not systematically study and therefore lacked constructive measures for the characteristics of the times for solving new situations and new problems emerging in the course of building democracy and our legal system. The masses of people are not very satisfied with social practice and social order. Practice shows that the deeper we develop reform, opening up, and economic construction, the more we should strengthen construction of democracy and the legal system as well as the building of the spiritual civilization, and the more we should meticulously safeguard social stability, strive to create a healthier, progressive, civilized and open ideological and cultural atmosphere, and guide the masses of people to march towards a new socialist life of great vitality.

D. We must unswervingly strengthen party building and enhance the cohesiveness and fighting capacity of party organizations. Party building must be carried out in close connection with the party's basic line and must serve the party's central task. We earnestly exerted efforts to march towards this direction. In light of the problems concerning the trends in different periods and the objective demands during changes in situation, we pointed out in a timely manner that in addition to checking the trend of mismanagement of party affairs, we should also prevent deviation from the central task of economic construction and isolated grasping by the party; we clearly proposed that efforts be made to regard enhancing awareness and steadfastness in implementing the party's basic line as the objective of ideological

construction, enhancing the reform and construction ability of leaders as the most pressing task in building party and government leading bodies at and above the county level, and uniting and leading the masses of people to march towards the goal of becoming well-off as the major task of the grass-roots party organizations. In line with this demand, we repeatedly and deeply conducted education on the party's basic line inside the party, gradually established the guideline of recruiting cadres according to their achievements in their political career, formulated detailed regulations for maintaining close ties between the party and the masses of people, paid attention to the voice of the masses in the course of making and implementing policy decisions, realistically solved the passive and corrupt phenomena and the problems on bureaucracy which the masses commented on, and strengthened supervision and inspection in implementing the party's principles, policies, and disciplines. Meanwhile, we must recognize that in a rapidly developing and changing situation, we are still behind in many aspects, including the method of party leadership and work, activity forms, and setting up grass-roots organizations. In the process of electing new leading bodies and additional members of leading bodies, we did not pay sufficient attention to the relative stability of the key leading cadres at key posts. Some prefectures and cities made excessively frequent changes in party and government principal responsible persons. Some negative and corrosive phenomena within the party were not effectively controlled. The people are not satisfied with this. Practice showed that in the new period when the environment that the party occupies and the tasks undertaken by the party were greatly changed, we studied the new situation and solved the new problems in line with the new reality of reform and opening up, realistically improved the party's level of being in power and the party's leadership level, and played a role as a leading core in the course of reform, opening up, and economic construction.

E. We must realistically improve work style and firmly attend to our work. The implementation of accurate policy decisions is the key to promoting the progress of undertakings. At the time of making efforts to improve the level of policy decisions, we paid attention to ceaselessly improving the work implementation mechanism. In line with the principle of guiding the people to step toward the target of becoming fairly well-off, we formed a work method of making progress in an accumulated manner by annually grasping several great matters that could produce an impact on the overall situation; and made appropriate achievements by adopting the work methods of handling work on the spot, leading the way with typical examples, giving different instructions according to different categories, making regional advance, making division of work on a responsibility basis, and being hurry to ask the achievements. By examining the implementation of the policy decisions, we found that some strategic measures suitable to the provincial situation were slowly implemented, some reform policies that are conducive to the acceleration of

development were not implemented, and particularly the implementation of some policies was often hampered at the time when the policy enforcers were the targets for policy readjustment. Sometimes, we had misgivings, lacked vitality, had too much consideration for somebody's feelings, and lacked necessary organizational means in solving these problems. There were also bureaucratic, formalist, and red-tape work styles. We failed to play an exemplary role in improving the work style. Thus, the grass-roots units and the masses' criticism was profound and affirmative. We should further strengthen the sense of mission for assuming high responsibility for the cause of the party and the interests of the people, proceed from the reality of rejuvenating Heilongjiang, resolutely eliminate various kinds of obstacles for the implementation of policies, realistically improve the leadership style and work style, and concentrate main energy on implementation work.

2. Major Tasks in the 1990's

In the 1990's, we should speed up the setup of the socialist market economic system and elevate, in a faster and better manner, the economic construction to a new high. To realize this task, we are confronted with both difficulties and favorable opportunities. When the province develops the economy in a sustained manner, there still prominently exist some structural contradictions, such as the comparable efficiency of the agricultural economy is low, the industries with natural resources as their products are confronted with difficulties, state-owned large and medium-sized enterprises' mechanisms are not flexible, and there are strains on transportation and capital. Comrade Deng Xiaoping's important talks made during his inspection of south China and the guidelines of the 14th party congress have greatly emancipated the thinking of the people and aroused the people's great historical initiative and creativeness. This will greatly promote the province's development. The setup of the socialist market economic system and a series of policy measures for speeding up the pace of development has also provided the province with an unprecedentedly favorable opportunity for eliminating the structural contradictions affecting the province's development, bringing into play the industrial advantages, and releasing the potential for development. With this opportunity, the province will take a historical turn in its development.

We should seize the opportunity to advance despite difficulties, make vigorous efforts to progress, and push Heilongjiang's economy to a new stage of accelerated development. We should continue the principle of establishing ties with the south and opening to the north and the principle of opening in all directions, implement across the board the strategy of developing the province with science, technology, and education, carry forward our advantages, optimize the structure, and improve efficiency. We should accelerate the economic structural reform focusing on improving state-owned large and medium-sized enterprises and promote other supporting reform at the same pace. We should accelerate the

multi-directional opening up focusing on the building of the great international economic and trade passageway and facilitate the strategic escalation of the endeavor of opening to the outside world. We should accelerate the development focusing on energy, transportation, telecommunications, and other basic industries and the intensive processing industry and gradually rationalize and modernize the industrial composition. We should accelerate the coordinated development of grain production, animal husbandry, and township enterprises focusing on township enterprises and make the rural economy prosper in all sectors. We should accelerate scientific and technological progress focusing on developing industry with science and education and substantially increase the contribution of scientific and technological progress to economic growth. We should accelerate social development focusing on improving the people's material and cultural life and promote all-round progress in society. We should strive to make GNP grow by more than eight percent a year and people's actual consumption level by more than six percent a year. By the end of this century, an initial system of the socialist market economy should take shape, the GNP should be quadrupled ahead of schedule, and the people should lead a fairly comfortable life. To attain this, we should strive to fulfill the major tasks in the eight fields that concern the whole situation.

A. We should deepen the economic structural reform and accelerate the transition to the socialist market economy. We should take advantage of the opening up of border areas to link with the world market more rapidly and lead the border open areas to enter the market economy ahead of others. We should develop the advantage of the county economy that is by and large regulated by the market to expedite the adjustment of the economic relations between various sectors and enable the operating mechanism of the market economy to take shape in the county economy as soon as possible. We should take advantage of the policies for development zones and open zones and learn from the managerial methods compatible with the international practice to lead the major production and business units in marching toward the market. We should develop the advantage of Harbin which enjoys the policies for coastal open cities and the advantage of Mudanjiang as a comprehensive reform experimental zone of the province and turn them into demonstration zones in the new economic system so as to lead central cities in accelerating the transition to the socialist market economy.

We should firmly implement the "regulations on transforming the operating mechanism of state-owned industrial enterprises" and the detailed rules for carrying them out and delegate enterprises all the 14 managerial decisionmaking powers. Regarding the work for which explicit stipulations are provided in the regulations, enterprises may undertake it directly, and no pertinent departments are permitted to intervene in them. In this way, enterprises will truly become legal entities capable of independent management and the major participants

in market competition. We should actively promote the shareholding system and transform in a planned manner state-owned large and medium-sized enterprises into joint stock companies whose shares are controlled or purchased by the state, are purchased by public legal persons, or purchased by their staff and workers. We should transform a number of state-owned large and medium-sized enterprises into enterprises "transplanted" with foreign funds. Some large and medium-sized enterprises should be merged or have their systems changed. Through shareholding cooperation, leasing, and auction, small state-owned enterprises should become public-owned enterprises managed by nongovernment units, public-owned enterprises managed by individuals, or private-owned enterprises managed by individuals. In general, all new enterprises should institute the shareholding system or adopt the same operating methods as those of the three types of foreign-funded enterprises. We should make sure that new enterprises implement new systems. We should gradually establish an employment mechanism under which labor forces flow freely, workers select jobs independently, and enterprises and establishments hire workers independently. We should successfully reform distribution system and social guarantee system simultaneously and coordinate, bring into better balance the relations between various sectors, carry out diversified distribution forms, with the distribution according to work as the predominance and with other distribution forms as the supplement, and expand the coverage of unemployment insurance, medical insurance, and old-age insurance in order to ensure the smooth progress of enterprise reform and social stability around the reform of the system concerning the property right of enterprises and around the shift of operational mechanism.

We should positively cultivate the market system and establish as quickly as possible a market network which links cities with the countryside, links one with others, links areas inside the province with those outside, and links domestic trade with foreign trade. We should gradually decontrol the prices of key capital goods, further decontrol the prices of commodities controlled by the province, and authorize enterprises to determine the price of their own products. In line with the demand of building unified and open market system, we should encourage fair competition, abolish check posts which are detrimental to the circulation of commodities, and check the collection of excessive charges and unauthorized fines which undermine the cultivation of the main body of market operation. We should readjust the business license system and the special examination and approval system. Except for the state-controlled commodities as stipulated by formal decree, all other commodities should be dealt in freely. Central cities and border open cities should rapidly build and rebuild a number of large-scale general trade markets. Particularly, we should, based on our superiority in natural resources and industries, build a petrochemical market, timber market, machinery market, and grain wholesale market oriented to the whole province and radiated to

the whole country as soon as possible. We should also develop domestic and foreign markets run by the people and prepare for building the futures market. County towns and major country fairs should primarily build large and medium-sized networks that are commensurate with their purchasing power. We should improve market structure and regard the cultivation of a key element market the emphasis of market construction. By keeping abreast of the process of enterprise reform, we should actually reform the banking system and build, in large and medium-sized cities, a banking market that embraces negotiable securities, short-term interbank loans, and foreign exchange regulation. We should run on a trial basis the property right market and develop technology, labor service, information, idle equipment, and real estate markets to promote the rational flow of key production elements. In cultivating the market system, we should handle affairs in accordance with economic law and should strive to link the market with production, link market carriers with purchasing trends, and orient market scale to purchasing power. We should also encourage main production and operation bodies to run markets.

We should actively and appropriately promote organizational reform in line with the demand of accelerating the building of socialist market economic system. The provincial party committee and the provincial government are now drawing up the province's programs for carrying out organizational reform in accordance with the disposition of the central authorities. Organizational reform is aimed at suiting the demand of building a socialist market economy system, and is aimed at changing functions, bringing into better balance the relations between various sectors, streamlining the size of staff and simplifying work procedures, and improving efficiency in line with the principle of separating government from enterprises. The emphasis of reform is to change government functions. In line with the establishment of organs decided by the central authorities, the province and the various prefectures and cities should positively and appropriately streamline organs and allow cadres to do business or run enterprises. The organizational reform at the county level should be carried out in an even faster way in line with the demands of "being small in size and extensive in service." Because the current organizational reform involves many organs and its tasks are complicated and arduous, we should actually strengthen leadership, unify planning, be meticulous in organization, and making appropriate arrangements. We should not only positively promote organizational reform but also maintain the normal work schedule. In particular, we should be meticulous in allowing office workers to do business or run enterprises in order to make the best possible use of each person so that each has a role to play. By seizing the opportunity of organizational reform, we should further perfect the government's function of exercising regulation and control over macroeconomy, weaken the government's function of managing micro-economic activities, reduce the government from

imposing its examination and approval of specific economic affairs, and separate enterprises' powers from government administration and then return the powers to enterprises so that the government can actually serve enterprises. In line with the demand of building socialist market economic systems, we should accelerate the reform in the departments of planning, finance, tax revenues, banking, statistics, and industrial and commercial administration. We should also improve the supervision of auditing work, technologies, and the economy. Meanwhile, we should have in mind the overall economic balance and the optimization of the whole structure. Attention should be paid to applying the methods of policies, regulations and rules, banking, and information to further improve the province's readjustment and control systems that take the state macro readjustment and control as a guiding orientation. Efforts should be made to carry out comprehensive coordination among major and important problems cropping up in production, communications, commodity circulation, and social development. We should also be successful in relaxing the restrictions that deserve to be relaxed and in successfully managing those that deserve to be well managed so as to ensure the normal operation of the national economy.

B. We should bring into play the strong points of opening up and upgrade the level of strategy in opening up. We should quicken the extension from the mutually supplementary trade of commodities to the overall cooperation of the economy and technologies so as to upgrade the strategic level of economic relations with foreign countries, and of foreign trade. We should accelerate the expansion of exports and processing instead of the practice of only passing on commodities so as to bring along the maturation of the export-oriented economy. We should also broaden our orientation from the bilateral economic and trade cooperation with Russia to multiple cooperation with more countries so as to foster a pattern in which the province opens itself to the outside world in all directions and in various fields. By the end of this century, the province will basically set up the frame of economic systems, which conforms with the demand of market economic systems and in which things are being done in line with international practice. It will also surpass the quadruple increase over the total volume of exports and imports scored in 1990.

In line with the idea of building an international passage, we should extensively open up the continental passage that uses Harbin as a center; that links Heihe in the north, which is connected with Blagoveshchensk; that links Suifenhe and Dongning in the east, which are connected with Godekovo and Vladivostok; and that links Manzhouli in the west, which is connected with Chita and the Grand Siberian Railroad. We should open up the joint highway-sea transportation passage between Harbin and the harbors of Bayuquan and Dalian as well as between Daqing and Jinzhou Harbor through Taipingchuan, which is on the coast of the Bohai Sea. We should open up the joint river-sea transportation passage

that links the rivers of Songhua, Heilong, and Wusuli with the Sea of Okhotsk. We should also open up regular or irregular flights between Harbin and Irkutsk, Seoul, Niigata, Alaska, Hong Kong so as to build Harbin into an international airport linking with Europe, North America, East Asia, and Southeast Asia. We should formulate specific plans for realizing this and extensively evaluate projects connected with this. Efforts should be made to study the policies relating to the idea and the ways of raising funds, to affix responsibility in this regard on leading personnel, and to enhance the work of organizational coordination so as to obtain substantive progress in this regard. In line with the multiple strategies of markets, we should further consolidate and develop the trade and economic and technical cooperation with the countries of CIS and extend the trade and cooperation from the Far East to the hinterland and from the hinterland to East Europe. We should actively join in the development and cooperation of the Northeast Asian economic zone and develop the economic and trade relations with Japan and the ROK. By seizing the new trend in which Hong Kong and Taiwan gradually shift their investments to the north, we should attract them to invest their money in our province and in boosting business. We should also seize the opportunity in which countries in Southeast Asia begin to have their business expand to organize a large number of enterprises to set up business links with them and to carry out transnational cooperation. We should also vigorously open markets in the developed countries. Efforts should be made to improve the counter measures adopted for meeting the needs of the world situation and to more actively and boldly introduce or utilize the funds, technologies, and managerial experience of European and American developed countries. In line with the idea of relaxing the restrictions on the main-body enterprises in charge of foreign economic relations and trade, we should organize in a planned manner the enterprises of various categories and particularly the state-owned large and medium-sized enterprises to open overseas business through the river shipment; to enter international markets; to actively join in international work share and cooperation; and to enable themselves to become a large number of transnational science-industry-trade companies with substantive strength. In line with the idea of integrating the way of "building nests to attract birds" with that of "building nests for already-attracted birds," we should invite business and introduce funds at multiple levels and on a large scale and vigorously upgrade the practical effect of work. A good job should be continuously done in building development zones of various categories and at all levels by grasping the central task of building up the Harbin economic and technical development zone, the Harbin and Daqing high-and new-tech industries development zones, and the Heihe and Suifenhe border economic cooperation zones. Efforts should be made to improve the investment environment and to shorten the construction period of projects. We should make active efforts to create favorable conditions for opening another group of inland and border cities and cities along rivers in the next few years.

We should further upgrade the quality, standing, and technology content of export commodities in line with the demand of the world market. Regarding the staple export commodities which have a relatively stable market, we should expand the strength of export commodity processing enterprises through the measure of South-North cooperation and Chinese-foreign cooperation and the imports of technology, personnel, and funds so as to establish the export processing bases with a fairly high technical level. We should accelerate the training of personnel for foreign economic relations and trade to greatly improve the quality of personnel dealing with foreigners. We should establish a work mechanism and supervision mechanism that conforms to international practice when dealing with foreigners and raise the efficiency and quality of the work involving foreigners.

C. We should strengthen the fundamental position of agriculture and make the rural economy prosper in all sectors. Agriculture is the foundation of the national economy, and stabilizing agriculture means stabilizing the overall situation. In line with the demand for achieving a fairly comfortable life and upgrading the economy to a new level, we should lose no time in leading the rural economy to the orbit of the socialist market economy and promote the all-round prosperity of rural areas.

We should restructure agricultural production, stabilize grain production, develop animal husbandry, and greatly expand township enterprises in line with market demands. We should actively develop high-yield, good-quality, and highly-efficient agriculture on the premise that grain production increases in a sustained and stable manner. We should accelerate the development of animal husbandry and aquaculture and do a good job in the production of a series of products so that animal husbandry will become the pillar industry in the rural areas of the province. We should place township enterprise development in an important strategic position of the rural economy. To make township enterprises better meet the needs in market competition, we should continue the principle of developing various ownerships and various trades, promote peasants' shareholding cooperation, and extensively raise nongovernment funds to enable township enterprises to be more suitable to the needs of market competitions. We should muster efforts to successfully develop 100 small zones of township enterprises by giving them priorities in the distribution of projects, funds, and personnel, guide township enterprises to concentrate properly in certain areas, and develop a number of industrial projects based on a fairly high level that have fairly large technology content and produce fairly competitive products for domestic and world markets. We should continue cooperation activities encouraging urban areas to lead rural areas and large enterprises to lead small enterprises, clear the channels for personnel, funds, technology, and equipment to flow to township enterprises in line with the principle of mutual benefit, and promote the coordination between urban and rural economies. We should take advantage of

the opening of border areas to greatly develop export-oriented township enterprises. We should regard the construction of small cities and towns as the key link in cultivating the rural market and developing township enterprises. We should encourage peasants to develop business entities in urban areas with their own funds. We should intensify construction of urban infrastructural facilities and welfare undertakings in small cities and towns so that they will become more attractive and influential.

We should stabilize and improve the party's various basic policies for rural areas, keep the household-based and output-related contract responsibility unchanged for a long time, continue improving the dual management system combining unified operation with independent operation, expand collective economic strength continuously, and strengthen the rural socialized service system. Guided by market sales, the various specialized associations should develop their role in guiding production, enlivening circulation, and leading peasants to the market. We should build the various types of specialized wholesale markets for farm and sideline products, trade fairs, and the markets for essential elements of production well and should speed up the construction of transportation, warehouse, telecommunications, and other infrastructural facilities. We should steadily lift control on grain business, build futures markets, establish stable trade ties with the major grain marketing areas of the country, and strive to open up the channels for grain business with Russia and other countries. Governments at all levels should increase agricultural investment every year, achieve success in the comprehensive agricultural development, and strengthen agricultural capital construction focusing on farmland water conservancy projects to enhance the capacity for sustained agricultural development.

We should continue to implement the principle that "we should first make the grass roots rich in order to make the province rich; promote coordination of grain production with livestock production and towns with township enterprises, trade with industry and agriculture, agriculture with science and education, and urban areas with rural areas; and upgrade the county-level economy's strategic position in the province's economy. It is necessary to strengthen counties' functions for making a unified plan for local economic development, to help poverty-stricken counties seek wealth, and to help wealthy counties speed up implementation of their development strategy. In line with the different characteristics, we should give different instructions to plain areas, mountain areas, semi-mountain areas, border areas, and suburban areas. We should bring into full play the key role of state farms in rejuvenating the rural economy, do a good job in farm-county joint construction, breaking regional barriers, and jointly developing the regional economy. Now, we should pay high attention to and conscientiously solve such practical problems as difficulties in marketing farm products, tardy allocation of purchasing funds, and rises in the price of capital

goods. In particular, we should make sure that IOU notes are not given to the peasants in purchasing farm and sideline products. We should be conscientious and responsible in lightening the peasants' burdens; resolutely end the activities of wantonly collecting fees, collecting funds, and apportioning expenses; and control the peasants' burdens within the state regulations and standards. Rural grass-roots organizations and peasants have the right to resist the wanton collection of funds. Party committees and governments at various levels should protect the legal rights and interests of the peasants realistically and protect and mobilize the enthusiasm of rural grass-roots cadres.

D. We should speed up the technological transformation of state-owned large and medium-sized enterprises and the construction of key projects, and restore the prestige of the old industrial base. State-owned large and medium-sized enterprises play a role as the main body of the province's public ownership system. They are also the material and technological foundation for economic development and a key supporting force to elevating the economy to a new high. When deepening the reform of the enterprise property right system, we should develop a group of key projects with reasonable input and output while thinking of concentrating financial resources to do great matters, coordinating construction and expansion with technological transformation, and according to the demands of the major pillar industries, such as the petrochemical industry, machinery and electronics industry, construction and building materials industry, energy resources and transport industry, and food and medical industry. Simultaneously, we should construct the following 10 large engineering systems: In the aspect of petrochemical engineering, we should concentrate efforts on rebuilding the 300,000-ton ethylene project and developing the 40,000-ton polypropylene, the 60,000-ton styrene project, the 60,000-ton polyester project, the 520,000-ton urea project, and the project with a production capacity of 1 million sets of radial tires; build the country's largest petrochemical industrial group and petrochemical production base with Daqing playing a key role; spread a group of projects to rely on and coordinate with Daqing's petrochemical industry; and promote the setup and development of a heavy chemical industrial production belt. In the aspect of turning coal resources into power, we should focus our efforts on building or expanding the No. 3 Harbin power plant, the power plants in Shuangyashan, Mudanjiang, Hegang, Jixi, Qitaihe, and the No. 2 Fulaerji power plant; develop a group of coal-pit mouth power plants; build our province into a power industrial base in northeast China; and strive to turn coal resources into economic advantages. In the aspect of upgrading and transforming the heavy machinery and electronic equipment, we should transform the equipment of power stations, machine tools, tools, and farm machinery plants with joint capital; upgrade the capability of developing, designing, manufacturing, and installing complete sets of thermal power, hydropower, nuclear power, and machinery equipment; and promote the development of

relevant industries in line with the principle of division of labor among specialized departments and socialized production. Regarding the development of the metallurgical industry, we should concentrate efforts on developing Qiqihar, Xilin, and Jixi iron and steel plants; and strive to build three iron and steel production bases each with a production capacity of one million tons. Simultaneously, we should create conditions to firmly attend to the construction of Duobaoshan copper mine. As far as transportation projects go, we should concentrate efforts on expanding Harbin, Heihe, and Jiamusi airports; building Nenjiang and Heilongjiang bridges and the double-track railway lines between Harbin and Manzhouli; and rebuilding Harbin-Heihe and Harbin-Suifenhe highways so as to alleviate the strain on transport. We should develop joint river-sea transportation services and accelerate the construction of the international economic and trade thoroughfare. In carrying out forest product processing and paper-making projects, we should give priority to developing and comprehensively using the natural resources in the Daxinganling and Xiaoxinganling state-owned forest areas, conduct precision and intensive processing of forest products, accelerate the transformation of Jiamusi, Qiqihar, and Mudanjiang paper mills and the building of Mudanjiang and Heihe paper pulp and chemical fiber pulp projects so as to form a new superior industry. In the projects of converting grain and intensively processing farm and sideline products, we should give priority to comprehensively developing Sanjiang Plain and deeply developing Songnen Plain, and on the basis of unceasingly enhancing the commodity rate of grain and other farm products, introduce advanced technology, accelerate the development of food, animal-feed, and flax industries, and strive to build our province into China's important dairy, sugar, flax, meat, soybean-product and foodstuffs base. In automobile development projects, we should give priority to grasping the light car, micro-car, and motor projects that are listed in the state plan and form a specialized vehicle parts production system to bring along the development of machinery and electronics industries. In building materials development projects, we should give priority to renovating and expanding cement, glass, and new building materials plants and accelerating the pace of expanding the Haolianghe and Guanniaohe cement plants and building graphite, sillimanite, and granite and other nonmetal ores processing and export bases. In medicine development projects, we should give priority to developing "northern medicines" and new medicines to form medicinal materials production bases and medicine industrial enterprise groups.

To guarantee funds for key construction projects, we must make flexible use of the existing amount of funds, strive to increase funds, improve the investment structure, and use the limited funds in places where they are badly needed. It is necessary to break with the pattern that all funds are collected by the government, open up new investment channels for enterprises, individuals, and foreign businessmen, and form an inherent impetus

and accumulation mechanism for promoting technological progress and internal development. We should collect funds through the purchase of shares to bring along the flow of the essential production factors, use new construction projects and technological transformation to bring along enterprise reorganization, and use large plants to bring along small ones, the whole set of machines to bring along the development of machine parts, and enhance the overall quality of key enterprises. We should support a batch of superior enterprises to issue stock on the market as early as possible, pool social funds, cooperate with small and medium-sized enterprises or amalgamate with them, create new technologies, update products, achieve large-scale efficiency, and form a number of enterprise groups that can play a guiding role in promoting technological progress.

Efforts should be made to establish and improve the investment mechanism centering on technological development and the incentive mechanism for engineers, technicians and technical workers; provide credit support for the development of new products; strengthen macroeconomic regulation and control over all social investments; change the practice of mainly controlling the investment scale into regulating the supply of funds and the practice of mainly controlling the growth of investment into mainly regulating the investment orientation; pay simultaneous attention to regulating the investment structure of industries and the places where the investments should be made; implement the funding system, the reserve system, the responsibility system and the auditing system in key projects; strive to give special emphasis to increasing funds and concentrate their usage on certain projects; guarantee the investment efficient; and give priority to developing leading and pillar industries.

All enterprises must exert strenuous efforts to tap their internal potentials and strive to raise the scientific management level. We should further improve the internal responsibility system of enterprises in an effort to make them attain a certain target and enter a certain grade, strengthen market forecast and development, do a good job in technological management, quality management, and operational and marketing management, establish an enterprise internal management mechanism that fits the market economy, and realistically do the work of ending enterprise deficits and increasing profits well.

E. We should speed up the development of the tertiary industry and actively cultivate the new growing point of the economy. As Heilongjiang's development of the tertiary industry is relatively sluggish, we have extremely great potential for its growth. We should implement the principle of pooling the efforts of the state, the collective, and the individual, adhere to the principle of allowing those who investment to gain benefits, and organize and draw in forces from all quarters of society to develop the tertiary industry. Based on state policies and actual development needs, we should actively encourage the enterprises engaged in the tertiary industry to draw in investment and funds from domestic and foreign

sources. In the tertiary industry, we should particularly develop the trades that require shorter construction period, yield quicker results, have larger employment capacity, and are related more closely with the national economy and people's livelihood. We should accelerate the development of finance, insurance, circulation, real estate, information, consultation, law, auditing, and accounting businesses and other public utilities that are closely related with the cultivation of the market system; accelerate the development of transportation, post and telecommunication, scientific research, and education that are leading in the national economy; and accelerate the development of catering service, culture and recreation, tourism, medical care, and community service that are closely related with people's material and cultural life. We should gradually socialize the service facilities of enterprises, establishment, and offices. We should strive to increase the proportion of the tertiary industry in GNP to 45 percent by the end of this century.

At the present stage, the collective, individual, private, and foreign-funded economies are important forces for accelerating local economic development, especially the development of the tertiary industry. We should encourage the development of the individual and private economies by firmly implementing the principle of developing before standardizing them and through government guidance, department support, and policy support. We should further reduce intermediate levels and links in administration and simplify work procedures and the procedures for examination and approval. We should actively guide individual industrial and commercial households and private enterprises to develop toward the urgently needed fields of production and business. We should encourage enterprises not owned by the state and those owned by the state to buy shares from each other and support the enterprises not owned by the state to buy state-owned small industrial and commercial enterprises. We should support the private enterprises that have the ability to bring in funds and technology from abroad to develop joint venture or cooperation projects with foreign firms. We should solve the problems in the development of the foreign-funded economy and establish the managerial methods and work regulations that emphasize working according to international practice. We should abolish the system under which enterprises apply for screening and approval and enact a system whereby Chinese and foreign enterprises and investors directly submit applications to registration departments for approval and registration of the trades and projects they are to develop, except for those exclusively owned by the state. All sectors of the economy are allowed to do all business according to law and conduct fair competition, but they are prohibited from developing the projects not permitted by law or those restricted by the state in explicit orders.

F. We should actively develop science, technology, and education and improve the people's scientific and cultural quality. Science and technology are primary productive forces. We should develop science and technology first if we are to develop the economy. We should

enhance all the people's sense of respect for science and technology, formulate more effective scientific and technological policies, mobilize the forces from all quarters, substantially increase scientific and technological investment, intensify construction of basic scientific research facilities, and further accelerate the development of science and technology. Scientific and technological work should be geared to the needs of the major battle-front of economic construction. While strengthening basic research, we should shift the work focus to expediting the development and application of new technology, new measures, and new products and the development of high and new technology and their industries. This should be done according to the demand of the economic development strategy and the focus should be on the industries and products to be developed on a priority basis. We should deepen the reform of the scientific and technological system, promote the cooperation and ties among research organs, designing organs, higher educational institutes, and enterprises, actively develop various forms of associations combining production units, schools, and research units or associations combining research units, industrial enterprises, and foreign trade enterprises. We should encourage scientific research units to run economic entities and encourage industrial and mining enterprises to run scientific research units. We should firmly develop and perfect the technology market, successfully run a trading fair of various forms of technology, help combine the technology market with the banking, information, labor service, and materials markets, actually protect intellectual property rights, and accelerate the commercialization of scientific and technological research results. We should positively import intellectuals and technological achievements and arm traditional industries with high and new technology. We should strive to make the content of the factor of scientific and technological progress in economic growth reach more than 40 percent by the end of this century.

We should actually put education in a strategic position and develop education on a priority basis. We should conscientiously carry out the "National Program for Educational Reform and Development." Party committees and governments at all levels should strengthen leadership over the educational undertakings, establish a multi-level and multi-channel input mechanism with government input as the predominance, and increase the input in education by a large margin year by year. We should comprehensively implement the party's educational principle and should in particular attach importance to and strengthen the moral education among universities, colleges, and primary and middle schools. We should actively explore the new system of running schools with the joint efforts of various circles in society and explore diverse forms to run schools. We should encourage the society to raise funds to run schools, encourage the people to run schools, and encourage all kinds of schools to tap their potential to increase the number of nonresident students of the students who attend school at their own expense. We should persist in

joint development of production, schools, and research, and strive to promote the combination of the economy, science and technology, and education. We should vigorously support the institutions of higher learning to initiate scientific and technological parks. We should further reform the enrollment and distribution systems of institutions of higher learning, and encourage and guide their graduates to serve rural, forest, mining, and remote border areas as well as township, town, district, and neighborhood enterprises. By the end of this century, we should make the nine-year compulsory education basically universal in the province and basically wipe out illiteracy among young and middle-aged people. We should comprehensively conduct vocational and technical education among the newly added laborers in urban and rural areas before they step on their work posts. We should also comprehensively conduct the education on professional skills and applicable skills among on-the-job staff and workers as well as young and middle-aged peasants. The training of special talented people should be adapted to economic, social and technological, and social development. The conditions for running schools and the quality of education should attain the level fixed by the state. A certain key schools and key branches of learning should attain the advanced domestic and world levels. We should initially establish an educational system commensurate to the province's general economic strength.

We should further implement the party's policies towards intellectuals and strive to bring about a fine social mood of respecting knowledge and talented people. We should provide intellectuals with a fine condition under which they can display their ability in an even better manner. We should fully trust intellectuals politically, give them a free hand in work, and show concern over and give consideration to them in livelihood. We should conscientiously implement the "several policies and regulations on giving full play to the role of intellectuals to promote economic development," issued by the provincial party committee and the provincial government. Being guided by policies, pulled by the market, and promoted by media, we should lift restrictions on scientific and technological personnel and support them to serve economic construction through various forms. We should carry out new strategy concerning talented people, gradually perfect the policies concerning the flow of talented people, and energetically cultivate talent market. Through the methods of being trained by ourselves, inviting from the places other than the province, and sending abroad for training, we should train and expand the ranks of scientific and technological specialists, entrepreneurs, and brokers. We should be determined to improve the working, studying, and living conditions of intellectuals and try every possible means to stabilize and attract talented people. We should gradually set up the system of giving handsome rewards to the intellectuals who make outstanding contributions. Preferential treatment should be given to those talented people who are urgently needed by economic construction. Intellectuals should be encouraged to depend on

their intelligence and wisdom as well as their arduous labor to become rich ahead of others. Special attention should be paid to improving wages and welfare treatment for those who are engaged in basic studies and teaching work. We should give full play to the role of science and technology associations, federations of literary and art circles, workers' associations, federations of social science societies, and federations of returned overseas Chinese in contacting with intellectuals and should unite the vast numbers of intellectuals to devote themselves to the province's reform and construction.

G. We should strengthen the building of socialist democracy and the legal system and create a stable social and political environment. We should further improve the people's congress system, strengthen the legislative and supervisory functions of the people's congresses and their standing committees, give better play to the role of deputies, enhance the authority of the organs of state power in the localities, and further improve the system of multiparty cooperation and political consultation under the leadership of the CPC. It is necessary to hold aloft the two banners of communism and socialism, give play to the role of political consultation and democratic supervision of the CPPCC, democratic parties, mass organizations, and the people of various nationalities in various circles, and realistically attain the goal that policy decisions are made after consultation and supervision is given during the implementation of policy decisions. Continued efforts should be made to recommend democratic party and nonparty personages to assume leading posts in government, judicial and supervision organs at all levels, conscientiously implement the party's religious policy and the Overseas Chinese affairs policy, consolidate and develop the patriotic united front during the new period, comprehensively implement the nationalities policy of the party and the state, mainstakingly safeguard national unity, accelerate economic development in the minority areas, and promote common prosperity among various nationalities in our province. We should fully respect and safeguard the decisionmaking power of enterprises, respect and safeguard the legal rights and interest of laborers, strengthen the building of grass-root democratic organs, including the workers' congresses, the neighborhood (villagers') committees, and give play to the role of media supervision and the democratic supervisory role of the masses of people.

We should realistically strengthen the building of economic laws and regulations and promptly codify the reform measures that are ripe and relatively stable and are proved effective in the course of practice in the form of laws and regulations; take for reference and absorb the foreign legislative achievements that meet the objective demands of the market economy and the economic laws in line with our province's reality; and revise, supplement or abolish in line with legal procedures all laws and regulations that are out of the line with the market economic needs. We should deeply conduct education on law popularization, enhance the sense of the legal

system of the whole society, strengthen the building of ranks of security workers, enhance their law-enforcement level, give full play to the functions of judicial organs in regulating relations in the economic sector in line with law, and apply legal means to actively promote the development of the socialist market economy. Further efforts should be made to strengthen the functions of the people's democratic dictatorship, deal strict blows to the infiltration and sabotage activities created by all sorts of hostile forces inside and outside the province and to other serious criminal offenses and activities in line with law, actively promote comprehensive improvement in social security, fully rely on the close cooperation of special organs and the broad masses of people to prevent crimes and improve security, and create a good social environment for reform, opening up, and economic construction.

We should care for national defense and actively support army building and reform. Units concerned should jointly shoulder the task of strengthening border management along with border defense troops and maintain a safe and stable environment in the surrounding and border areas. It is necessary to universally conduct education on national defense in the whole society, enhance the sense of national defense of all the people, do a good job in militia and reserve service work, strengthen national defense reserve force, deeply conduct activities on supporting the army and giving preferential treatment to families of martyrs and servicemen and on supporting the government and cherishing the people, and realistically strengthen unity between the Army and the government and between the Army and the people.

H. We should strengthen the building of socialist spiritual civilization and promote a comprehensive social progress. In accelerating the pace of reform, opening up, and economic construction, we must simultaneously promote the building of socialist spiritual civilization. During the 1990's, our province should take Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics as a guidance while building the socialist spiritual civilization, inherit and promote the fine ideological and cultural traditions of the Chinese nation, actively absorb all fruits of civilization of the whole mankind, explore new patterns and new substance that suit the socialist market economy, accelerate the development of all sorts of social undertakings, strive to raise the quality of the people and the degree of civilization of the whole society, create a healthier, progressive, civilized and open ideological and cultural atmosphere, and promote a comprehensive progress in society.

We should strengthen ideological and political work and boost the enthusiasm of the masses for plunging themselves into reform and construction. We should intensify the education on the party's basic line, unify people's thinking with the theory of building socialism with Chinese characteristics, uplift people's spirit with the grand target of accelerating development in the 1990's, and strengthen the popular morale with the exemplary

role of party members and cadres. In the transition to the socialist market economy, we should all the more intensify the education on patriotism, collectivism, and socialism, attach importance to improving professional ethics, and intensify the education on social morality. We should encourage people to have confidence in themselves and to support and improve themselves while urging them to abide by discipline and laws and take the overall situation into consideration. We should encourage people to stress efficiency and respect personal interests while advocating wholehearted devotion to public duty and the spirit of selfless sacrifice. We should encourage fair competition to select the superior and eliminate the inferior while advocating honesty, unity, and cooperation. We should encourage some localities and individuals to achieve affluence ahead of others through honest labor and legal business while urging those who become affluent ahead of others to lead those who fall behind so as to achieve common prosperity gradually. We should encourage mastery of all foreign advanced science, technology, and managerial expertise while preventing the erosion of capitalist corrupt ideas. We should pay attention to the new situations and new problems emerging in the process of reform, grasp the ideological pulse of the cadres and people from all strata, correctly handle the contradictions among the people in the new situation, solve the various specific work and ideological problems in a timely manner, unite all the forces that can be united, mobilize all positive factors, and turn negative factors into positive ones to ensure the smooth progress of reform and construction. Press, publication, radio, film, and television departments should, on the one hand, give play to their role of press supervision and reflect the masses' voice and, on the other hand, develop their role in guiding correct public opinion and give publicity to the advanced collectives and individuals who have made outstanding contributions to reform and opening up so as to advocate the spirit of this era. The entire society should show concern for the healthy growth of youngsters and strive to train generations of new people who have lofty ideals and moral character and are better educated and well-disciplined.

We should implement the principle of emphasizing construction when developing the spiritual civilization, achieve ideological progress, ensure academic freedom, and make philosophy and social sciences flourish. With the guidance of Marxism-Leninism-Mao Zedong Thought, we should study the major practice of economic construction, reform, and opening up, summarize the fresh experiences created by the people, and learn from the achievements in all human civilizations to provide theoretical guidance to the development of the socialist market economy. We should adhere to the orientation of "serving the people and serving socialism" and the principle of "letting a hundred flowers blossom and a hundred schools of thought contend" and strive to train a strong contingent of literary and art workers of the northern frontier and to create literary and art masterpieces. We should actively facilitate the reform of

the cultural system and gradually establish a competition mechanism that helps bring up products, efficiency, and personnel. We should improve the economic policies related to culture, allow inter-trade production and business on the premise that healthy and beneficial intellectual and cultural products are produced, and make sure that "cultural undertakings are used to support cultural undertakings and diverse production is used to assist cultural undertakings." We should cultivate and develop the cultural market and build well the various infrastructural facilities for culture. We should continue the activities to eliminate pornography and crack down on illegal publication and strengthen management of the cultural market. We should continuously improve the quality of newspapers and magazines and put social benefits in the first place. We should accelerate the development of radio, film, and television undertakings and improve radio and television networks. We should develop the cultural activities characteristic of certain communities, enterprises, or schools to enrich people's cultural life. We should develop various forms of urban and rural sports activities, raise the level in the competitive sports, and strive to win the bid for hosting the third Asian Winter Games. We should speed up the setup of a new-type medical insurance system, gradually perfect the rural cooperative medical treatment system, and develop the urban and rural medical treatment and health undertakings. We should continuously pay attention to the family planning work, strengthen birth control over the rural people and the floating population, carry out the fixed-quota management responsibility system, strictly control the population growth rate, and advocate healthy birth and sound upbringing. We should conscientiously study the population's aging problems and promote the development of the undertakings for the aged. We should comprehensively improve the environment in the urban and rural areas, positively prevent industrial pollution, legally protect and reasonably use natural resources, and strive to improve the ecological environment.

3. We Should Strengthen Party Building and Improve the Leadership of the Party

Strengthening party building and improving the leadership of the party is an important task in the 1990's as well as the fundamental guarantee for speeding up reform, opening up, and modernization. The more we carry out the reform and open policy, the more we should strengthen party building. In the course of reform and opening up, we should avoid weakening the leadership of the party. In line with new actual conditions, we should observe the basic line of the party, persist in the principle that the party should manage and strictly administer party affairs, enhance the cohesive power and combat effectiveness of the party, and bring into better play the party's role as a leading core.

A. We should deeply study Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics and enhance the awareness and firmness of enforcing the basic line of the party. Arming the whole party with Comrade Deng Xiaoping's theory on building socialism

with Chinese characteristics is the fundamental task for party building in the new period. Thus, the party committees at various levels should put the work of organizing party members and cadres to study the theory in the primary position of party building, work out a plan for rotationally training party and government leading cadres and a plan for educating party members, and carefully organize forces to implement the plans in a step-by-step manner. The party schools at various levels should regard the systematic study of the theory as a key content of the cadres' training. The leading cadres at various levels, particularly the cadres at or above the county and section levels, should take the lead in studying this theory; conscientiously study Comrade Deng Xiaoping's strategic ideology and viewpoints; conscientiously study his scientific attitude and creative spirit of applying Marxist stand, viewpoints, and methods to study the new situation and solve new problems; and upgrade the ability in creatively carrying out the work and solving practical problems under the new historical conditions.

The fundamental purpose of studying the theory on building socialism with Chinese characteristics is to enhance the awareness and firmness of enforcing the basic line of the party and to push the practice of reform and opening up forward in a down-to-earth manner. Therefore, we should persist in the style of study of integrating theory with practice and continue to regard the emancipation of the mind as the main line to promote the work in various spheres. We should clearly understand that the essential requirement of socialism is to liberate and develop productive forces, regard accelerating the economic development and guiding the people to attain the target of becoming fairly well-off as a starting point to think of and handle problems, clearly understand that we should constantly persist in the basic line of "one center and two basic points" in the initial stage of socialism, pay attention to correctly handling the relationship between adhering to the four cardinal principles and persisting in the reform and open policy, also unite the adherence to the four cardinal principles and the reform and open policy with the practice of building socialism with Chinese characteristics, and ensure that the basic line of the party will not be shaken or changed in the course of implementation. We should clearly understand that the fundamental standard for telling truth from falsehood and deciding success or failure is the "three-conducive" principle. In the practice of reform and opening up, we should boldly assimilate and draw on the experiences of all beneficial experiences at home and abroad to expand ourselves. We should continuously eliminate the outdated thinking and concepts accumulated under the traditional systems and accurately foster new thinking and concepts that are suitable to the socialist market economy. By bearing in our minds the working reality, we should emphatically overcome the idea of staying in a rut and safeguarding our heritage; enhance our courage and insight in combating the outdated systems; and dare to or be good at winning or

creating more favorable conditions for economic development. We should also overcome the thinking of being afraid of offending others in handling the official work and of only being ordinary officials; enhance our sense of party spirit in being highly responsible for the party's cause and the people's interest; and dare to face contradictions, to spare no sensibilities of others, to eliminate the obstacle, and to promote the implementation of work. Efforts should be made to overcome the thinking of improperly belittling oneself and of blaming everyone and everything but oneself, to foster the spirit of steadily carrying out self improvement and arduously doing pioneering work, and to unite as one in successfully conducting one's work. In emancipating minds, we should not only dare to assume the risk, to smash the normal practice, to be a vanguard in activities; but also uphold the principles of seeking truth from facts and proceeding from the reality in doing everything. We should boldly make policy decisions based on the correct understanding on the conditions at province, city, and county levels and integrate the practice of daring to think and to do things with the scientific attitude of seeking truth and dealing with specific matters relating to work. We should also make solid progress steadily.

B. We should enhance the construction of leading bodies and vigorously upgrade their capability of directing the programs of reform, opening up, and modernizations. In enhancing the construction of leading bodies, efforts should be made to implement the principles of "four requirements" for the cadres' contingent and of having both ability and political integrity. In selecting and employing cadres, we should uphold the correct guiding orientation. In appraising the morality and capability of cadres, we should chiefly view their attitude toward the party's basic line and their practical achievements scored in implementing the basic line. We should view whether they resolutely implement the resolutions adopted by the CPC Central Committee, the provincial party committee, and the higher party organizations, and whether they carry out their work in a creative way in line with the local reality and the reality of their own department. We should view whether they truly grasp the implementation, do practical deeds in work, boldly deal with knotty problems, and continuously make new progress in all work they have taken. We should also view whether they establish a close tie with the mass, are honest in performing their official duties, work for the people industriously and justly, and do practical and good deeds for the mass in a down-to-earth manner. We should truly and boldly pick up the cadres who have scored marked achievements in implementing the party's basic line and the outstanding cadres trusted by the masses. We should resolutely remove the cadres who have not been responsible for work, have been incapable in their work, and have sought personal gains by taking advantage of power. We should support and protect as well as boldly put important posts on those who have pioneered a road of advance, truly grasped the implementation, and done practical deeds for work though they also have some

shortcomings. After all leading bodies have been readjusted, attention should be paid to enhancing the construction of work style and ideology and maintaining the continuity of the way of thinking in the basic work and the relative stability among the posts of principal leading personnel. We should build the leading bodies at all levels into strong leading collectives that are loyal to the party's basic line, dare to conduct reform, are solitary and coordinative, are honest in performing their official duties, deal with concrete matters relating to work, and are capable and highly efficient.

In upgrading the capability of leadership in reform and construction, major attention should be paid to upgrading their capability of seizing the opportunity and making policy decisions in a scientific way; their capability of bearing the whole situation in minds and coordinating the activities; and their capability of seizing up the crucial cause and making a breakthrough among key projects. Local party committees must enhance and improve their leadership over the economic work and make policy decisions in a timely manner on the major and important problems cropping up in economic and social development. They should also organize the forces of the People's Congress, the People's Government, the CPPCC committee, and various social circles to foster a joint force to promote the programs of reform, opening up, and economic construction. They should also change the leading and working styles accumulated under the traditional systems and promote the economic work by more depending on the guidance contained in the policies, on profit regulation, and on coordinated services. The personnel of leading bodies at all levels must vigorously study the knowledge of economic theories and management as well as modern sciences and culture. They also must master the law of the market economy and pay attention to learning about the economic situation as a whole, striving to know well the knowledge of one sector in the economic work, and vigorously enabling the work of sharing the management to be subordinate to or to serve the whole situation of economic construction. Leading bodies at all levels should increase the number of leading personnel who know well the economic work and pay attention to selecting or promoting leading cadres among localities and enterprises that have achieved faster economic development and rapidly brought about a change to their backward situation. Efforts should be made to adequately broaden the exchanges and crisscross posts between party and government leadership.

We should accelerate the reform of the cadre system and bring competition mechanism into cadre work to provide a system guarantee for excellent cadres to show themselves. We should continue to persist in and perfect the reserve cadre system, regard the training and choosing of excellent young cadres as a strategic task, break with the outmoded idea of arranging position according to seniority, and select and use talented people based on the main trend instead of sticking to one pattern. We should energetically train and promote

female cadres, minority nationalities cadres, and non-party cadres. We should persist in the cadre retirement system and pay attention to the work related to veteran cadres.

C. We should persist in and perfect the democratic centralism and strengthen party unity. Democratic centralism is a fundamental system of our party. We should fully carry forward the democracy inside the party and actually safeguard the democratic rights of party organizations at all levels and of party members. We should report to the party the important cases that have a bearing on the overall situation and major problems. This work should be carried out in a systematic manner. We should dredge and expand the channel of democracy to enable party members to report their opinions, suggestions, and criticisms to higher levels in a timely and accurate manner. We should persist in the principle of collective leadership. Major issues should be discussed and decided by collectives. Members of leading bodies should correctly handle the relations between collective leadership and division of labor with individual responsibility, the relations between the whole and the part, and the relations between rights and duties. Members of leading bodies should positively and actively participate in collective policymaking, creatively fulfill the work assigned to them, and ensure the implementation of policy decisions. Leading body members must persist in the party's organizational principle. If they have objections to the resolutions of party organizations, they should be allowed to raise their opinions at party meetings or report their opinions to higher levels. But, in action, they cannot go their own way, nor can they express their dissentient views to the public. We should resolutely oppose the liberal and decentralized behavior of refusing to abide by orders and prohibitions. We should safeguard the authority of party leadership. To strengthening party unity, the key lies in strengthening the unity among leading bodies at various levels based on the party's basic line. In the process of implementing the party's basic line, we should pay attention to getting rid of the interferences coming from the "left" and the right fields, should guard against the right and against the "left," that is more important, and unite our ideas with the theory and the line of building socialism with Chinese characteristics. Only by doing so can we truly maintain political and ideological unanimity with the CPC Central Committee and lay a solid political foundation for the unity of leading bodies. Since the province's tasks on reform and construction are very heavy, we should all the more stress the overall situation and unity, work together with one heart, and shoulder the heavy burden in common. Leading cadres at all levels should lay emphasis on the prosperity of public undertakings to the neglect of personal gains, look forward in unity, strive for identification in general but allow the existence of minor differences, and do not indulge in unprincipled disputes. We should be broad-minded and should respect, support, and understand each other, instead of creating friction among ourselves. Principal leading cadres should be brave and good at solving

contradictions to fully mobilize the initiative of the members of leading bodies. Party and government leaders should coordinate with one another and should communicate and consult with each other on major issues. Leading bodies at all levels should maintain the normal practice of democracy and conduct heart-to-heart talks among themselves. All leading cadres should resolutely regard themselves not only cadres but also ordinary party members, earnestly conduct criticism and self-criticism, and strive to enhance their ability of solving the problems of their own. We should make great effort to create a vivid and lively political situation characterized with not only centralism but also democracy, not only discipline but also freedom, and not only unified will but also the ease of mind among individuals.

D. We should strengthen the building of party style and administrative honesty and maintain closer ties between the party and the masses.

The issue of party style has a bearing on the life and death of the party. To strengthen the building of party style and administrative honesty under the condition of reform and opening up, we should strengthen the supervision and inspection over the implementation of the party's line, principles, and policies closely around the central task of economic construction to ensure the smooth implementation of the decrees and policy decisions of party committees and governments. We should persist in the principle of being "resolute first and protracted second," strictly administer the party, strictly enforce the party discipline, and regard the punishment of the corrupt and the investigation and handling of undisciplined cases as the key to strictly enforcing the party discipline. We should support discipline inspection, supervisory, and judicial organs to boldly exercise their functions and rights and concentrate energy on investigating and handling cases of leading organs, leading cadres, economic management and law enforcement and supervision departments, and their working personnel abusing power for private gains, engaging in corruption, and accepting bribes. We should pay special attention to tackling the problems that the masses have great complaints. Closely in line with the reality of reform, opening up, and modernization, we should conduct the education on party style and party discipline among party members. We should not only positively foster the sense of equality, competition, benefits, and efficiency in conducting the socialist market economic activities and promote the setup of the market economic system but also resolutely eliminate the corrosive ideas of putting money first above everything and seeking private gain at public expense and the negative phenomena in the economic activities. Fundamentally speaking, we should rely on deepening reform and expanding the scale of opening up to prevent and punish the corrupt. To achieve this, we should explore a new way for relying on reform and the setup of system to punish the corrupt, deeply study the reasons for causing corrosive phenomena and the reasons for causing the

difficulties in punishing the corrupt, and work out systems and policies to manage the punishment of the corrupt. In line with the general problems cropping up in the course of reform and opening up, we should work out regulations and systems that are conducive to not only the development of the socialist market economy but also the maintenance of the administrative honesty of party and government organs and define the demarcation line of policies on economic activities. We should continue to carry out the "two publicity and one supervision" system and particularly set up and perfect the mechanisms to restrict and guard against unhealthy practices within trades among the law enforcement departments and the posts in charge of personnel, financial, and material affairs. The party organizations at various levels and the discipline inspection organs should realistically strengthen the supervision over party-member cadres. We should conscientiously implement the system of responsibility for improving party style and administrative honesty. Leading organs and leading cadres should play an exemplary role in this regard, guide and grasp the work at each lower level, and be determined to make achievements.

We should persist in the fundamental line of doing everything for the masses and relying on the masses to do everything and of from the masses and to the masses. We should wholeheartedly rely on the working class and the people, unswervingly regard the masses' feelings and voices as the first signal for making policy decisions, and ensure that policy decisions and the implementation of policy decisions should conform to the fundamental interests of the people. The leading organs and leading cadres at various levels should regularly observe the situation of the people, listen to their voices, show concern about their weal and woe, accept their supervision, and try every possible means to do good and solid deeds for the people. We should realistically solve the living problems relating to the staff and workers of the enterprises and the rural poverty-stricken households. Principal leading comrades of the provincial, prefectural, city, and county party committees and governments should annually go deep to some enterprises and rural areas with difficulties to study and solve several practical problems. The party committees at various levels should strengthen and improve the leadership over the trade union organizations, the organizations of the Communist Youth League, and the women's federations; support them to represent and safeguard the interests of the people; independently carry out their work; and bring into play their role as a bridge to link up with the masses. The local party committees should proceed from the fundamental interests of the people, upgrade the quality of policy decisions, firmly attend to the implementation of the work, and set an example in improving the leadership style and the work style. The party and government organs, various departments, and their working personnel should be considerate of the grass roots and enterprises and sincerely serve the economic construction. We should adopt disciplinary and organizational measures to strictly handle those who

ignore the overall situation of the economic construction, refuse to do what they should do, and even apportion expenses from the grass roots, enterprises, and people. We should strive to form a work situation of proceeding from the reality and dealing with concrete matters relating to work as well as a good practice of doing solid work so as to enjoy the trust and support of the people.

E. We should strengthen the building of grass-roots party organizations and give full play to their role as political cores and fighting bastions. The party organizations of state-owned enterprises should develop their role as the political core, conscientiously implement the enterprise law and the regulations on changing the operating mechanism of enterprises, actively participate in decision-making concerning the major issues of the enterprises, and make sure that the principles and policies for supervising the party and the state are implemented in their own enterprises. They should support plant directors (managers) to perform their duties according to law, support the workers' congress to carry out their work, strengthen leadership over the trade unions and Communist Youth League organizations of their enterprises, achieve success in ideological and political work, and ensure the accomplishment of the enterprises' production and business tasks. We should strengthen the overall guidance to the party building of new economic organizations, such as joint stock enterprises, enterprise conglomerates, three types of foreign-funded enterprises, township enterprises, and private enterprises, and probe the activity methods compatible with their different characteristics. We should achieve success in building the leading bodies of town and township party committees and village party branches and in building village-level organizations with party branches as the core and eliminate the barriers between townships and villages, between different posts, and between different professions to promote outstanding party members who have the courage, insight, and ability in developing the market economy to serve as secretaries of the party committees and party branches in line with the principle of "selecting the best in a public and equal manner and through competition." In coordination with the county-level organizational reform, we should select and send outstanding young and middle-aged cadres to assume posts in townships and villages. After three to five years of efforts, we should train the secretaries of town and township party committees and village party branches into a group leading the masses to affluence. Party organizations of offices should strictly carry out the regular activities of the organizations, educate and supervise the office personnel to better serve grass-roots levels and the masses, and make sure that the administrative tasks of their own units are fulfilled. In the process of the organizational reform, in particular, they should coordinate with administrative responsible persons to successfully carry out the ideological work among party members and cadres. Grass-roots party organizations of schools and scientific research institutes should strengthen and improve their own building, boost the

enthusiasm of party members, staff, and workers, and organize and ensure the accomplishment of various tasks. Party committees at all levels should look into the difficulties and hardships of cadres, show concern for their work and life, and earnestly address the specific problems in grass-roots work. They should attach importance to recruiting party members among forefront workers, peasants, intellectuals, and outstanding youths. They should conscientiously study the party constitution and continuously intensify the education of party members on a regular basis. The vast number of the communist party members should carry forward the spirit of emancipating the mind, reform, and creating the new, the spirit of respecting science and making earnest efforts to do practical work, the spirit of taking the overall situation into consideration and uniting in cooperation, the spirit of being modest and prudent and advocating advancement, and the spirit of hard work and selfless devotion and give full play to their leading and exemplary role in reform, opening up, and the modernization program.

Comrades, it is our sacred mission to unite and lead the people of various nationalities throughout the province and seize the favorable opportunity to accelerate reform, opening up, and the modernization program. Party organizations at all levels and the vast number of the communist party members throughout the province should enhance the sense of historical responsibility and the sense of urgency toward our times, rally closely round the party Central Committee with Comrade Jiang Zemin as the core, adhere to the party's basic line, emancipate the mind, make earnest efforts to do practical work, and strive to attain the province's grand targets of economic and social development for the 1990's.

Heilongjiang's Sun Weiben Meets Jilin Governor

SK1706062793 Harbin Heilongjiang People's Radio
Network in Mandarin 0000 GMT 17 Jun 93

[Text] On the afternoon of 17 June Provincial Party Committee Secretary Sun Weiben; Provincial Governor Shao Qihui; and Vice Provincial Governor Chen Yunlin met with Gao Yan, governor of Jilin Province, who came to Heilongjiang to participate in the fourth Harbin border and regional economic and trade fair, and his entourage at Huayuancun Hotel.

Sees Foreign Reporters

SK1806061993 Harbin Heilongjiang People's Radio
Network in Mandarin 2200 GMT 17 Jun 93

[Text] The provincial leading personnel, including Sun Weiben, Shan Rongfan, Yang Guanghong, and Wang Zongzhang, received the reporters from foreign countries, Hong Kong, and Taiwan in the Huayuancun Guesthouse at 1600 on 17 June who are covering the Harbin border trade and local economic talks.

During the reception Sun Weiben first briefed the reporters on the province's natural resources, on the

development of the national economy, on the opening up along border areas, and on the border trade and local economic talks. Sun Weiben urged the reporters from foreign countries, Hong Kong, and Taiwan to do much propaganda work for the province so as to upgrade the province's exposure.

Activities, Remarks of Jilin's He Zhukang

Inspects Enterprises

SK1806024993 Changchun JILIN RIBAO in Chinese
22 May 93 p 1

[By reporter Guo Yuxue (6753 3768 1331): "From Hunchun to Changchun"]

[Text] In implementing the guidelines of the sixth provincial party congress and the development strategy of building a border province near the sea, we must give prominence to opening up, open up the border areas to reach the sea, and accelerate economic development. This has become a common understanding of the whole province, from the higher to the lower levels. The border areas near the sea have served as the forward positions and showcases, undertaking an irreplaceably important task. However, how should the provincial capital which is a political, economic, and cultural center of the whole province do this? How should it open itself to the outside world and invigorate its economy? How should it develop the export-oriented economy to bring along a more rapid economic development in the whole province? To find solutions for these questions, on 20 May, He Zhukang, secretary of the provincial party committee, who just returned from an inspection tour to the border city of Hunchun; Su Rong, member of the standing committee of the provincial party committee and secretary general of the provincial party committee; Wang Yunkun, member of the standing committee of the provincial party committee and secretary of the Changchun city party committee; and other comrades went to Nangan District and Erdaohezi District in Changchun city to inspect the neighborhood economic units.

Nangan District is an old city proper of Changchun city with a long history and dense population, where commerce is vigorously developed; Erdaohezi District is located on the edge of the city proper where industry is concentrated. Since reform and opening up, particularly during the year in which the work of pushing the whole province's economy to a new stage was carried out, these two districts have vigorously developed their neighborhood industries. In implementing the guidelines of the provincial and Changchun city party congresses, these two districts proceeded from reality; respectively established the economic development ideas of developing the district with science and technology, giving simultaneous attention to industry and commerce, pinpointing the priorities, seeking comprehensive development, relying on the efforts of large plants to enter the market,

developing specialized plants to engage in mass production, and expanding the production scale and seeking improvements; and carried out their work vividly.

Comrade He Zhukang listened to work briefings given by responsible comrades of the two district party committees; fully affirmed their work in developing the neighborhood economy, changing the city outlook, and improving the living of the people; and highly appraised the enterprising spirit of the comrades of grass-roots party organizations in the city. Comrade He Zhukang said: In implementing the development strategy defined by the provincial party congress on building a developed border province near the sea, we must further expand the degree of opening up and fully understand our province's favorable geographic position and human conditions in the Northeast Asian regional economic cooperation. It is necessary to seize the extremely favorable opportunity created by the development and change of the current international and domestic situations, enhance the sense of opening up, unceasingly raise the technology equipment and management levels and the quality of personnel, improve the investment environment, and extensively attract foreign capital and personnel. We must serve the international and domestic markets, further decontrol and invigorate enterprises, and actively develop the export-oriented economy and tertiary industry. Comrade He Zhukang stressed: Now that the major policies have been defined, the crucial issue involved is to organize efforts to implement it and to firmly grasp it. We should enhance the sense of responsibility and urgency, strive to do everything quickly and successfully, and creatively carry out our work. It is necessary to formulate a clear and definite responsibility system, share the work targets with everyone, and realistically grasp the work until good results are achieved. Comrade He Zhukang pointed out: To ensure long-term development in the city, we must have a unified and rational city development plan.

The Changchun City Industrial and Trade Integrated Plastic Packing Product Plant, located in the depth of a small lane in Nanling District, is a neighborhood small plant run by several housewives. Over the past 30 years, the scale of the plant has unceasingly expanded and its product grade has continued to improve. At present, it has become a jointly funded enterprise with more than 260 staff members and workers and an annual net profit of 1 million yuan. When comrade He Zhukang arrived there, Liu Fenglan, the 57-year-old plant director, briefed the leaders of the provincial party committee on the development history of the plant as if enumerating his family valuables and asked the workers to demonstrate the superior property of flexible plastic buckets for export. He said proudly: "We rely on information, science, technology, and quality to get a firm foothold in the acute market competition." He Zhukang and his entourage also inspected the light alloy plant in Changchun city. Compared with the plastic packing product plant, the facade of this neighborhood-run enterprise, which is a supporting enterprise of the No. 1 Vehicle

Company, is much better. The pieces in the exquisite "product catalogue" printed in English which the reception personnel handed to leaders further showed the modern ideas of this enterprise. This plant has a flexible internal mechanism, advanced equipment, and the various types of aluminium alloy ingots and aluminium alloy casting equipment are very marketable. Liu Wenzhang, director of the plant, was a straightforward person. He assured the provincial and city leaders and said: "In building a developed border province near the sea and a modern international city, our plant should enter a new stage and make new contributions."

The evening breeze was gently blowing. On his way home, Comrade He Zhukang said to Comrades Su Rong and Wang Yunkun with deep feeling: "In running undertakings and carrying out construction work, we must have such men of action as Liu Fenglan and Liu Wenzhang."

Visits Peasants

*SK1806050093 Changchun JILIN RIBAO in Chinese
25 May 93 p 1*

[Excerpts] On the morning of 22 May, a little after 0900, a medium-sized bus coming from the provincial city of Changchun stopped at the No. 6 sub-village of Donghe Village in Gongzhuling city by the side of Changchun-Shenyang Highway. He Zhukang, secretary of the provincial party committee; Su Rong, member of the standing committee of the provincial party committee and secretary general of the provincial party committee; and several responsible comrades of the general office of the provincial party committee dismounted from the bus and entered a peasant house nearby. The household head Sun Zhenjiang went to work in the fields. His wife, Zheng Suzhen, was washing her hair. Comrade He Zhukang told her about his purpose of coming, sat down on the warm bed, and held talks on daily life with the hostess and her visiting relative, a middle-aged man. On hearing that some provincial leaders had come, the fellow villagers came to the house one after another. Since the house was not big, the people had to sit on the warm bed and the floor. Those who could not come in leaned on the windowsill. Thus an incidentally formed forum began.

The first standing committee meeting of the sixth provincial party committee decided that beginning this year the standing committee of the provincial party committee should devote several days each year to going deeply to the grass roots to directly hear the opinions of workers and peasants. Comrade He Zhukang took the lead in implementing this decision. This time, he and Su Rong traveled to the village without giving a call or making any arrangements. Without bringing an entourage, he directly traveled to a peasant household to look into the conditions of the people in "plain" clothes."

The old couple of Sun Zhenjiang and Zheng Shuzhen were not in good health, so they only contracted seven

mu of land for farming. In discussing the living conditions, Zheng Shuzhen said: "I will not tell lies in front of an honest man. Several years ago, we spent 7,000-8,000 yuan in the wedding for my son. By now, I still have a debt of more than 1,000 yuan." The peasant Zhang Yumei reflected that the seeds and chemical fertilizers were too expensive, preventing farming from yielding any profits. When Comrade He Zhukang asked about the accumulation funds and the overall plan of the village, the villager Zhu Wapeng said: "I have a family of four, tilling eight mu of land. Last year, more than 400 yuan of levies were collected and the purpose of collecting and using them were not clearly defined." [passage omitted]

The villagers also told the leaders of the provincial party committee about the high electricity price, the excessive school expenses, the social security problems, and the unhealthy trends. The villager Li Jingcai said: "We hope the secretary will often come and hear what is on the peasants' minds." Comrade He Zhukang said: "Good." "You have the courage to report the actual situation and dare to speak what is on your mind, showing that you have confidence in the party and the government. Our duty is to serve the people. The existing problems show that we have failed to successfully carry out our work and that some policy decisions have not been well implemented. First of all, we must conscientiously carry out the stipulated items, earnestly conduct supervision and inspection, and improve our work." He said: "In raising the agricultural economic efficiency and improving the life of peasants, it is not realistic to simply rely on cultivating grains. Because developing industrial products for agricultural use cannot make money and the prices of agricultural chemicals cannot drop for the time being, we must find a way to develop diversified undertakings in line with the demand of developing the socialist market economy. Your village is near the highway and is not far away from Changchun. You ought to make use of these favorable conditions. You have

witnessed good results in planting mushrooms. So, this kind of farming should be extensively carried out. You should find a way to reduce the burdens of peasants by developing the collective economy. Once when the collective economic strength is strong, peasants' burdens will be lightened." Comrade Su Rong added: Getting familiar with peasants, knowing them, listening to their voice, and helping them solve difficulties are the tasks which should be done not only by the provincial authorities but also by the cities, counties, townships, and cadres at all levels.

After that, He Zhukang and other leaders traveled to No. 14 sub-village in Pingdingshan Village of Fengxiang Township. At the house of the villager Liu Changqing, they also held a forum with the villagers and laborers who came from other townships to engage in building houses there. The villager Jiang Lanxing shook hands with the secretary of the provincial party committee and said: "Previously, we saw you held talks with peasants in the fields in Nongan. We did not really believe it. This time, you have come to our village and this is true. We all believe it now." The villagers Guo Zhide and Fu Zhenwen said: "The policies from the higher levels are good. But there are deviations when the policies are implemented in the lower levels. When additional levies collected under the names of various descriptions are too many, and the authorities concerned have no reason for collecting more, they think of other ways. Comrade He Zhukang said: "If deviations emerge in the lower levels, we also have responsibility for them, because we are the leaders." The people tried to take the floor one after another. Some of them exposed unhealthy trends and some asked about related policies. He Zhukang took notes conscientiously and answered their questions patiently. Regarding the specific problems involving policies and unhealthy trends revealed by peasants, Comrade He Zhukang expressed immediately that he would send inspection groups to the village to help solve the problems. [passage omitted]

Science Council Recruits Russians, East Europeans

OW1806100293 Taipei CNA in English 0811 GMT 18 Jun 93

[Text] Taipei, June 18 (CNA)—The National Science Council (NSC) is actively recruiting high-tech experts and professionals to come to Taiwan and help promote the development of science and technology in the Republic of China [ROC].

Currently, a total of 30 high-tech professionals from Russia and East Europe are participating in the nation's science and technology research programs, an NSC official said Thursday [17 June].

This number includes 14 Russians, two Bulgarians, one Ukrainian, one Estonian, four Czechs, four Armenians, and four Polish, the official said.

Among the 30 foreign high-tech experts, one is conducting research at the Academia Sinica, the ROC's highest research institute. The other 29 are involved in teaching or research programs at public and national universities in Taiwan.

Bank Reports on 'Trade Dependence' on Mainland

OW1806100193 Taipei CNA in English 0809 GMT 18 Jun 93

[Text] Taipei, June 18 (CNA)—If indirect trade with Mainland China were excluded from fiscal calculations, Taiwan would register an international trade imbalance, officials from the Central Bank of China (CBC) said Friday.

CBC tallies show that Taiwan had a trade surplus of U.S.\$2.4 billion from indirect trade across the Taiwan Straits in the first quarter of 1993. This is greater than its total trade surplus of U.S.\$2.19 billion.

In terms of current account, a measure of trade in merchandise and services plus capital flows, Taiwan enjoyed a trade surplus of U.S.\$2.05 billion with the mainland in the first quarter as compared to a surplus with the rest of the world of U.S.\$1.7 billion.

The figures are solid evidence of Taiwan's ever-growing trade dependence on the mainland, central bank officials noted.

The CBC statistics also show that Taiwan posted a surplus of U.S.\$25.6 billion in cross-strait merchandise and services trade between 1991 and March 1993, including U.S.\$10.3 billion in 1991, U.S.\$12.9 billion in 1992, and U.S.\$2.4 billion in the first quarter of 1993.

The officials, however, pointed out that Taiwan's net foreign exchange surplus in the 27-month cross-strait trade would be U.S.\$8 billion after deducting U.S.\$5 billion in travel and distribution costs, U.S.\$10 billion in investment flows, and U.S.\$2.6 billion in Hong Kong.

While Taiwan's trade surplus with the United States and Europe has shrunk and the deficit with Japan increased, the ever-increasing trade with the mainland has emerged as the driving force behind Taiwan's continued gains in foreign trade, they said.

Commenting on the report, economist Liu Tai-ying stressed that domestic economic development would hinge on the mainland's economic performance in the second half of this year.

The mainland may undergo credit-tightening measures to address its overheated economy, which in turn would adversely affect Taiwan's export trade with the mainland, Liu speculated.

Liu suggested that the government allow more imports of semi-finished products into Taiwan from the mainland to help curtail the relocation of domestic enterprises.

Hong Kong

XINHUA Official Comments on UK Talks

OW1806144493 Beijing XINHUA in English 1436
GMT 18 Jun 93

[Text] Hong Kong, June 18 (XINHUA)—A senior Chinese official in Hong Kong has reiterated that only the Chinese and British Governments abide by the "three accords" in earnest, can the both sides reach an agreement on the 1994-95 electoral arrangement through negotiations.

"If you verbally agree to the 'three accords,' namely according with the the joint declaration, the Basic Law and other previous agreements and understandings reached between China and Britain, and deviate from them when you are holding the negotiations, it is impossible for the negotiations to progress quickly," said Zhang Junsheng, deputy director of the Hong Kong branch of the XINHUA NEWS AGENCY.

The Chinese side will strictly follow the "three accords" in negotiating with its British partner on the 1994-95 electoral arrangement, Zhang added.

Another deputy director of the XINHUA NEWS AGENCY local branch Zhu Yucheng said the political reform proposals put forward by Hong Kong Governor Chris Patten could not be accepted as a basis for the talks.

PRC, UK Agree on Franchise for Harbor Tunnel

HK1806074293 Hong Kong AFP in English 0716 GMT
18 Jun 93

[Text] Hong Kong, June 18 (AFP)—China and Britain, in a major breakthrough, agreed Friday on a franchise for a third Hong Kong cross-harbor tunnel, a key part of the colony's 21 billion U.S. dollar new airport. The agreement, at a meeting of the Sino-British Joint Liaison Group (JLG) Airport Committee, signalled a further easing of a bilateral row that began in October when Governor Chris Patten proposed more democracy for Hong Kong. "I think we've got real progress this morning," Anthony Galsworthy, head of the British side of the JLG, told reporters at the end of the meeting, from which no agreement had been expected.

The proposed tunnel would link the western end of Hong Kong Island with the Kowloon Peninsula as part of a highway leading to the Chek Lap Kok Airport, due to open in 1997 when Hong Kong reverts to Chinese sovereignty. Galsworthy said the franchise would next go

before the Legislative Council for approval, while the airport committee would hold another meeting later this month.

Chek Lap Kok has been vexed by Chinese opposition over its mammoth cost ever since plans for its construction were unveiled in 1989, shortly after the brutal suppression of pro-democracy protests in Beijing's Tiananmen Square. Financing details are still being hammered out by the JLG Airport Committee, but Galsworthy said—without elaborating—that some progress on the money issue had been made Friday. "Of course, there are still some differences on the financial plans," he added, "and those we will have to return to in future meetings."

China and Britain only resumed talks on the Chek Lap Kok project on June 4, after Beijing suspended contacts in anger over Patten's proposals to expand the voting franchise for elections set for 1994 and 1995. China alleges that the plans—currently at the center of secretive talks in Beijing which continue next week—violated past agreements with Britain on Hong Kong's transition of sovereignty.

Political analysts said the outcome of Friday's airport meeting boded well for a full session of the JLG next Monday [21 June] through Wednesday—the first since December. The JLG, a diplomatic body, is supposed to meet at least three times a year to review all aspects of the run-up to 1997. Its session next week is expected to touch on the future of a proposed new container terminal known as CT9.

XINHUA Report on Agreement

OW1806131193 Beijing XINHUA in English 1246
GMT 18 Jun 93

[Text] Hong Kong, June 18 (XINHUA)—The Airport Committee under the Sino-British Joint Liaison Group (JLG) held a meeting here today, discussing the financial arrangement for the new airport railway project.

The two sides have reached an agreement on the franchise for the Western harbour crossing.

The two sides have agreed they would meet again before the end of this month.

Gao Fengmin, senior Chinese representative, said after the meeting that there has been substantial progress but the two sides are still divergent on the financial arrangement.

Anthony Galsworthy, senior representative of the British team, said, "we have agreed with the Chinese on terms of the franchise." "Of course, there are still some differences on the financial plans and those we will have to return to it in further meetings," he added.

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